

[**PRESIDENTIAL DECREE NO. 1276, January 03,
1978**]

**AUTHORIZING THE CENTRAL BANK OF THE PHILIPPINES TO
CONTINUE IMPLEMENTATION OF ITS REWARD SYSTEM FOR
INFORMATION LEADING TO THE CONFISCATION OF GOLD AND
FOREIGN EXCHANGE.**

WHEREAS, the Central Bank of the Philippines has, since 1956, been implementing a reward system for information leading to the confiscation and forfeiture, in favor of the National Government, of gold, foreign exchange and Philippine currency held in violation of existing laws and regulations;

WHEREAS, the successful implementation of said reward system has brought direct benefits to the national economy in the form of millions in foreign exchange forfeited in favor of the National Government and, therefore, it would be for the further interest of the national economy for the Central Bank to continue implementing such reward system;

WHEREAS, except by implication from existing laws, there appears to be no law or regulation clearly and expressly authorizing the Central Bank to pay rewards out of proceeds of foreign exchange forfeited in favor of the National Government;

WHEREAS, considering the attendant risks to informers specially in cases involving foreign-based smuggling syndicates, it is necessary that the reward payable to such informers be commensurate to such risks and attractive enough to provide incentives for informers to cooperate with national police agencies.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers in me vested by the Constitution, do hereby decree and order the following:

SECTION 1. The provisions of any existing law to the contrary notwithstanding, the Central Bank of the Philippines is hereby authorized to continue implementing its reward system for information leading to the confiscation, and forfeiture in favor of the National Government, of gold, foreign exchange and Philippine currency held in violation of existing laws and regulations: *Provided, however*, that the amount of reward shall be in such amount as may be fixed by the Monetary Board, but in no case to exceed 10% of the proceeds of the forfeited gold, foreign exchange or Philippine currency.

SECTION 2. The Central Bank shall continue to pay informers rewards out of the proceeds of the gold, foreign exchange or Philippine currency forfeited in favor of the National Government and all such payments, including payments made in the past in similar cases, are hereby declared to be within the authority of the Central Bank.

SECTION 3. This Decree shall be effective immediately.

DONE in the City of Manila, this 3rd day of January, in the year of Our Lord, nineteen hundred and seventy-eight.

(Sgd.) FERDINAND E.