


FOURTEENTH CONGRESS OF THE REPUBLIC)
 OF THE PHILIPPINES)
Second Regular Session)

9 JUN -2 P 6 :01

SENATERECEIVED BY: S. No. 3301

Introduced by Senator Manuel "Lito" M. Lapid

EXPLANATORY NOTE

In view of the increasing incidence of people receiving calls or text messages from persistent telemarketers offering a myriad of products such as pre-approved credit cards, low-interest cash loans, foreign currency trading or pre-paid insurance, there is a need to regulate the disclosure of personal information of consumers responsive to today's security prerequisites.

Telemarketers obtain information such as a consumer's name and contact numbers usually from credit card companies, and commercial and service establishments which require their customers to fill-up forms where they are required to disclose information such as status, residence address, office address and contact number. This valuable information is then "sold" to various companies and telemarketers for a sum like a communal commodity. If not sold, this information is nonetheless shared without the consumer's express consent.

This bill seeks to provide consumer privacy protection and impose stiff penalties on any person, natural or juridical, officer or employee of a banking or financial institution and commercial and service establishments which disclose to any person personal information to be utilized for said telemarketing or other similar schemes.

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


MANUEL "LITO" M. LAPID
Senator

FOURTEENTH CONGRESS OF THE REPUBLIC
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OFFICE OF THE SECRETARY

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SENATE

S. No. 3301

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**AN ACT
REGULATING THE DISCLOSURE AND SALE OF PERSONAL
CONSUMERS' INFORMATION PROVIDING PENALTIES THEREFOR
AND FOR OTHER PURPOSES**

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

Section 1. It is the policy of the State to promote the general welfare and protect the privacy of consumers from persistent telemarketers and schemers by regulating the disclosure and sale of consumers' personal information except upon written consent of the consumer.

Section 2. All personal information disclosed by clients or consumers to banks and other financial institutions and commercial and service establishments and entities doing business in the Philippines are hereby considered absolutely confidential in nature and may not be examined, inquired or looked into by any person, government official, bureau or office, except upon written permission of the consumer concerned, or in cases of impeachment, or upon order of a competent court in cases of bribery or dereliction of duty of public officials, or in cases where the account is the subject matter of a litigation.

Section 3. It shall be unlawful for any person, natural or juridical, officer or employee of a banking or financial institution or commercial and service establishments or entities to disclose for value or other consideration to any person other than those mentioned in section two hereof any information concerning any consumer or client.

Section 4. Any violation of this law will subject the offender upon conviction, to an imprisonment of not more than five (5) years or a fine, of not less than Ten Thousand Pesos (Php10,000.00) but not more than Fifty Thousand

Pesos (Php50,000.00) or both, at the discretion of the court, taking into consideration all attending circumstances.

If the entity responsible for the prohibited act is a corporation, trust or firm, partnership, association or any other entity, the penalty of imprisonment shall be imposed on the entity's responsible officers, including, but not limited to, the president, vice-president, chief executive officer, general manager, managing director, or partner directly responsible therefor.

Section 5. If any provision or part hereof, is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

Section 6. Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

Section 7. This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,