

schemes that had victimized thousands and thousands of our countrymen.

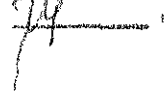
It is pathetic to note that until now, victims of these frauds had found themselves helpless in bailing themselves out from the financial woes wrought by those who have enriched themselves.

Hence, the bill's purpose is to stop the propagation of false or fraudulent advertising of products, goods and services which can not be delivered or performed and save our poor people from being victimized by the professional charlatans whose obvious motive is to milk their victims.


ALFREDO S. LIM
Senator

THIRTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
THIRD REGULAR SESSION)

6 JUL 13 1971

RECEIVED BY: 

SENATE
S.B. NO. 2410

Introduced by Senator ALFREDO S. LIM

**AN ACT
PENALIZING FALSE OR FRAUDULENT ADVERTISING
AND FOR OTHER PURPOSES**

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

4 **SECTION 1.** *False or Fraudulent Advertising,*
5 *Prohibited.* – It shall be unlawful for any person, firm or
6 corporation to advertise or promote his or its products,
7 goods and services, underwrite any obligation, such as,
8 pre-need educational, medical or other related services,
9 through newspapers, magazines, radio, television,
10 internet or other means accessible to the public view,
11 such as billboards, flyers, newsletters, leaflets, etc. when
12 such products, goods, services or pre-need benefits are
13 inexistent, in whole or in part, or are incapable of being
14 produced, delivered, performed, paid or discharged, and
15 which false or fraudulent advertising shall have induced
16 another to part with his money or valuable consideration
17 to buy, acquire or avail of such products, goods, services
18 or pre-need benefits.

1 **SECTION 2.** *Prima Facie Evidence of False or*
2 *Fraudulent Advertising.* – The failure or inability of such

3 person, firm or corporation to fully or completely produce,
4 deliver, perform, pay or discharge the obligation, products,
5 goods or services so promoted or advertised, within a
6 period of ninety (90) days from date of written demand
7 from the person defrauded shall be prima facie evidence of
8 a violation of this Act.

9 **SECTION 3.** *Liability Under this Act, Distinct from*
10 *other Crimes Committed.* – The liability of persons
11 found violating this Act shall be distinct from and in
12 addition to the penalties that such person, firm or
13 corporation shall incur under the Revised Penal Code and
14 other special laws; provided, however, that the
15 prosecution for violation of this Act shall proceed
16 independently and regardless of the status, stage or
17 result of the prosecution under the Revised Penal Code or
18 other special laws; provided, further, that no filing fee
19 shall be imposed for the commencement of the criminal
20 charge under this Act.

21 **SECTION 4.** *Liability, If Violator is a Corporation or*
22 *Unregistered Entity.* – If the violation under this Act is
23 committed by a corporation, partnership or other
24 unregistered entity, the directors, president, treasurer,
25 general manager or one performing similar functions and
26 other corporate officers or persons responsible for such
27 false or fraudulent advertisement shall be personally
28 liable for such violation.

1 **SECTION 5.** *Multiple Liability.* – Any person found
2 violating this Act shall be charged and convicted with as
3 many counts of such violations as there are victims who
4 have been defrauded by reason of such false or fraudulent
advertising.

5 **SECTION 6.** *Penalty.* – Any person found liable for
6 violating this Act shall be sentenced to an imprisonment
7 of not less than one (1) year but not exceeding six (6)
8 years or a fine of not less than twice the value of the
9 amount defrauded; provided, that in case the person
10 convicted fails or refuses to pay the fine, he shall suffer
11 subsidiary imprisonment at the rate of P200 per day but
12 not exceeding six (6) years.

13 **SECTION 7.** *Effectivity.* – This Act shall take effect
14 fifteen (15) days after publication in a newspaper of
15 general circulation.

Approved.