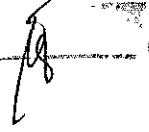


8 JUN 11 P4:36

FOURTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

RECEIVED BY: _____



SENATE
S.B. **2405**

Introduced by Senator Villar

Explanatory Note

Phishing is a criminal act to acquire sensitive information, such as usernames, passwords, web site details and credit card accounts, by masquerading as a trustworthy entity in an electronic communication. It is an example of a social engineering technique to fool users of information highway¹. The most common form of phishing are

1. link manipulation or a form of technical deception designed to make a link in an email and the spoofed website it leads to;
2. filter evasion or the use of masquerade images and being sent to users with a great difficulty of deletion;
3. website forgery or the act of placing a picture of a legitimate URL over the address bar, or by closing the original address bar and its place, a new legitimate URL is created but is utilized to deceive e-mail users;
4. phone phishing or the act of acquiring sensitive information through the use of telecommunication facilities including voice over internet protocol (VOIP).

Phishing is a new felony, with the first phishing technique described in detail only in 1987 but the actual crime committed a decade later, in 1996. Phishers (the term referred to perpetrators of phishing crimes) target large and known organizations known to transact heavily through e-commerce such as eBay, PayPal and banking and travel institutions dealing online.

The damage caused by phishing ranges from denial of access to one's email account to substantial financial loss. Fundamentally, it is an assault to a person's right to privacy. And significantly, they can ruin an individual's trustworthiness, credit standing and worse, deny the victims access to their bank accounts.

¹ Wikipedia. www.wikipedia.org on phishing

In the Philippines, the relevant statutes are the E-Commerce Law of the Philippines and the various issuances of the National Telecommunication Commission. But there is no specific legislation addressing this crime.

This bill seeks to commence the discussion on the enactment of an effective policy against phishing and all other forms of internet and telecommunications fraud. With more than 14,000,000 internet users in the country² and online transactions becoming more popular as a mode of doing business in the Philippines, the early deliberation of this proposed measure is recommended.



MANNY VILLAR

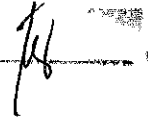
² International World Statistics website citing Yahoo records for the Philippines, as of April 2007

FOURTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

8 JUN 11 P4:36

SENATE
S.B. 2405

RECEIVED BY: _____



Introduced by Senator Villar

AN ACT
FURTHER PROTECTING THE INTEGRITY OF ELECTRONIC
TRANSACTIONS, DEFINING FOR THE PURPOSE THE CRIME OF
INTERNET AND TELECOMMUNICATIONS PHISHING, PROVIDING
PENALTIES THEREFOR AND FOR OTHER PURPOSES

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

Section 1. Any person who shall commit the act of phishing in the internet or instant messaging system shall be punished with imprisonment of not less than two (2) years nor more than ten (10) years, or a fine of not less than fifty thousand pesos (Php 50,000.00) but not more than five hundred thousand pesos (Php 500,000.00) or both such imprisonment and fine, at the discretion of the court.

The act of internet and message phishing involves securing or getting of sensitive personal information for the purpose of using it in fraud, or for participating in fraudulent business practices, or for the purpose of identity theft and misrepresentation. It is carried out by email or instant messaging or through the use of phone calls, voice over internet protocol or a combination of all those mentioned and other facilities of information technology.

The act covers the development and possession of phishing kits or materials to commit fraud and the creation of fake websites to send bogus emails in order to defraud another person.

Section 2. The Department of Justice in coordination with the relevant offices shall establish a framework of comprehensive process of assisting victims of phishing and assist law enforcement agencies in obtaining evidence to apprehend perpetrators.

Section 3. Implementing Rules and Regulations. Within ninety (90) days after the approval of this Act, the Department of Justice, shall promulgate the rules and regulations to supplement the enforcement of this Act.

Section.4⁹³⁸ This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in two (2) newspapers of general circulation, whichever comes earlier.

Approved,