

FOURTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

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SENATE

RECEIVED BY: _____

Senate Bill No. 509

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

EXPLANATORY NOTE

The Corporation Code came into existence in order to provide a legal framework for the establishment, operation, regulation and interaction of corporate entities in an ever-changing Philippine commercial horizon.

The onset of the new millennium heralded the new Securities Regulation Code. But there is still a pressing need to update more of our laws in order to meet the challenges of the new age.

Thus, this measure seeks to increase the applicable penalties for violation of any provision of the Corporation Code so that violators would think twice before violating the same.


JINGGOY EJERCITO ESTRADA
Senator

FOURTEENTH CONGRESS OF THE REPUBLIC
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7 JUL -2 P5:07

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Senate Bill No. 509

INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

**AN ACT
AMENDING SECTION 144 OF BATAS PAMBANSA BLG. 68, OTHERWISE
KNOWN AS THE CORPORATION CODE OF THE PHILIPPINES BY
INCREASING THE RANGE OF PENALTIES FOR VIOLATION OF ITS
PROVISIONS AND FOR OTHER PURPOSES**

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

SECTION 1. Section 144 of Batas Pambansa Blg. 68, otherwise known as the Corporation Code of the Philippines is hereby amended to read as follows:

"Sec. 144. Violations of the Code. Violations of any of the provisions of this Code or its amendments not otherwise specifically penalized therein shall be punished but a fine of not less than **TEN THOUSAND** [one thousand (P1,000.00)] pesos but not more than **ONE HUNDRED THOUSAND** [ten thousand (P10,000.00)] pesos or by imprisonment for not less than **SIX YEARS** [thirty (30) days] but not more than **TWELVE** [five (5)] years, or both, in the discretion of the court. If the violation is committed by a corporation, the same may, after notice and hearing, be dissolved in appropriate proceeding before the Securities and Exchange Commission: *Provided that*, such dissolution shall not preclude the institution of appropriate action against the director, trustee or officer if the corporation responsible for said violation: *Provided further*, that nothing in this section shall be construed to repeal the other causes for dissolution of a corporation provided in this Code."

SEC. 2. Repeal. All laws or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 3. Effectivity. This Act shall take effect fifteen days after its publication in at least three newspapers of general circulation.

Approved,