

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3346

Introduced by Representative MARLYN PRIMICIAS-AGABAS

EXPLANATORY NOTE

It is well-entrenched that laws are essential for men to live in a civilized society. The re-codification of these laws into a systemized body of rules is necessarily crucial in order for the people to be properly informed and guided by them.

However, it is a fact that our commercial laws need to be revisited, reviewed, and codified for them to be more responsive to the rapidly changing modern times. Through the creation of a Commercial Code Commission, the proponent believes that this is an opportune time for us to codify all our substantive commercial laws after several decades since their codification.

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


MARLYN PRIMICIAS-AGABAS
6th District, Pangasinan

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3346

Introduced by Representative MARLYN PRIMICIAS-AGABAS

AN ACT
CREATING A COMMERCIAL CODE COMMISSION TO REVIEW AND
CODIFY ALL EXISTING SUBSTANTIVE COMMERCIAL LAWS OF THE
PHILIPPINES, DEFINING ITS COMPOSITION AND FUNCTIONS, AND
APPROPRIATING FUNDS THEREFORE

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

SECTION 1. *Title.* – This Act shall be known as the “Commercial Code Codification Act of 2010.”

SECTION 2. *Objective.* – There is an urgent need for the review, revision, and codification of all the existing substantive commercial laws of the Philippines in order for the country to have a compiled and systematic Commercial Code attuned to the present times, in conformity with the customs, traditions and idiosyncrasies of the Filipino people and modern trends in legislation and the progressive principles of law.

SECTION 3. *Creation.* – There shall be created a Commercial Code Commission to review, revise and codify all existing substantive commercial laws of the Philippines.

SECTION 4. *Composition and Structure.* – The Chairman of the Commercial Code Commission shall be an Associate Justice of the Supreme Court. The Vice-Chairman shall be a representative from the Philippine Judiciary Academy. The University of the Philippines (UP) Law Center shall serve as the Secretariat. The Commercial Code Commission shall be composed of the Chairman, Vice-Chairman, the Secretariat, and the following Members:

- a) Two (2) retired Justices of the Supreme Court;
- b) A representative from the Integrated Bar of the Philippines;
- c) A representative from the Association of Law Deans of the Philippines;
- d) The Secretary of the Department of Finance or his representative who, in no case, shall have a rank lower than undersecretary;
- e) The Secretary of the Department of Trade and Industry or his representative who, in no case, shall have a rank lower than undersecretary;
- f) The Governor of the Bangko Sentral ng Pilipinas or his representative;
- g) The Chairman of the Securities and Exchange Commission or his representative.

- i) The Director General of the Intellectual Property Office or his representative; and
- j) A member of the academe who is an expert in Commercial Law, practitioner and/or professor of Commercial Law for at least ten (10) years.

With the exception of Chairman and Vice-Chairman who shall be appointed by their respective agencies in their ex-officio capacity, the Members shall be appointed by the President of the Philippines.

SECTION 5. *Functions.* – The Commercial Code Commission shall have the following powers and functions:

- a) To review and revise all the existing substantive commercial laws of the Philippines and to codify them;
- b) To call on any official or employee of any branch, department, bureau, office, subdivision, agency, or instrumentality of the government to assist or otherwise extend his cooperation to the Commission in connection with the performance of its functions to carry out the provisions of this Act;
- c) To complete its work not later than one (1) year from the date of the composition of the Commission;
- d) To submit to the President of the Philippines a report of the work undertaken by it together with the corresponding drafts of the Commercial Code for submission to the Congress of the Philippines; and
- e) Perform such other functions as may be necessary to carry out the objectives of this Act.

SECTION 6. *Secretariat.* – The Commission shall organize a Secretariat tasked to provide administrative and technical support to the Commission. The Commission shall fix its staffing pattern, determine the duties, qualifications, and functions, as well as the compensation of the positions to be created. The staffing pattern shall be submitted for approval of the Commission within thirty (30) days from the date of the composition of the Commission.

The Secretariat shall be headed by an Executive Director coming from the UP Law Center and who shall be appointed by the Chairman. He shall execute and administer policies and decisions of the Commission, attend to its meetings and deliberations, monitor the implementation of the programs thereof, and manage the operations thereof.

SECTION 7. *Existence.* – Upon the completion of its work and the submission of its report, the Commercial Code Commission shall cease to exist and the services of the Chairman, Vice-Chairman and the Members of the same, including all employees working under it shall terminate. All records and documents and proceedings of the Commercial Code Commission shall be delivered to the National Library for preservation and disposition by the latter. The other properties shall be disposed of in accordance with existing auditing and accounting rules and regulations. The unexpended balances of its appropriations shall revert to the unappropriated general fund.

SECTION 8. *Compensation.* – The Chairman, Vice-Chairman and Members of the Commercial Code Commission shall receive per diem for every meeting actually

SECTION 9. *Office.* – The Commercial Code Commission shall have its office in Metro Manila and may hold meetings at such time and place within the Philippines as the Chairman may order in writing.

SECTION 10. *Approval.* – The completed work of the Commercial Code Commission shall be subject to the approval of Congress.

SECTION 11. *Appropriations.* – The sum of ten million pesos (P10,000,000.00) is hereby appropriated for the necessary expenses of the Commercial Code Commission.

SECTION 12. *Separability Clause.* – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or provision not otherwise affected shall remain valid and subsisting.

SECTION 13. *Effectivity.* – This act shall take effect immediately after its publication in two (2) newspapers of general circulation.

Approved,
