

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
EIGHTEENTH CONGRESS
Second Regular Session



HOUSE BILL NO. 9077

Introduced by: **CONG. "KUYA" JOSE ANTONIO R. SY-ALVARADO**

EXPLANATORY NOTE

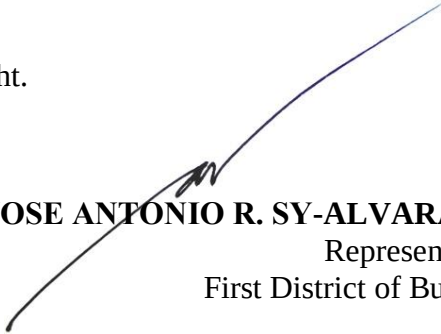
There have been lots of reports regarding car dealers and bike dealers forcing and deceiving their customers into taking in-house financing when buying cars/bikes even if their customers can buy it cash. Dealers receive rebates, incentives and additional income from interests.

They bait their customers into this scheme by offering freebies and other discounts. They cover cash payment option with tempting offers totally depriving customers their rights. This is a fraudulent act and a clear manifestation of a scam.

This measure aims to protect the rights of consumers by providing them flexible options in buying their car/bike.

Thus, the immediate passage of this bill is earnestly sought.

CONG. "KUYA" JOSE ANTONIO R. SY-ALVARADO
Representative
First District of Bulacan

A long, sweeping handwritten signature in blue ink, starting from the bottom left and curving upwards and to the right, ending above the printed name of the Representative.

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HOUSE BILL NO. 9077

Introduced by: **CONG. “KUYA” JOSE ANTONIO R. SY-ALVARADO**

**AN ACT PROTECTING THE RIGHTS OF BUYERS AND PENALIZING ACTS OF
FORCEFUL AND DECEIVING IMPOSITION OF MANDATORY IN-HOUSE
FINANCING BY DEALERS**

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

SECTION 1. Short Title. This Act shall be known as “Lingkod No Forced In-House Financing Act”

SECTION 2. Declaration of Policy. It is the policy of the State to protect the interests of the consumer, promote his general welfare and to establish standards of conduct for business and industry.

SECTION 3. Promoting Rights. The Department of Trade and Industry is hereby mandated to conduct a comprehensive information and education campaign of consumer’s rights in buying cars, bikes and other similar product.

SECTION 4. No Forced In-House Financing. Dealers are hereby prohibited in forcing, deceiving their customers and clients into taking an in-house financing. Dealers shall provide clear options in every transactions and offers.

SECTION 5. Penalties. A fine of Five Hundred Thousand pesos (PhP500,000.00) and cancellation/revocation of business permit shall be imposed to any dealership and/or company that violates the provisions in section 4.

SECTION 4. Repealing Clause. All laws, decrees, orders, issuances or portion thereof, which are inconsistent with the provisions of this Act are repealed or modified accordingly.

SECTION 5. Effectivity. This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

Approved,

