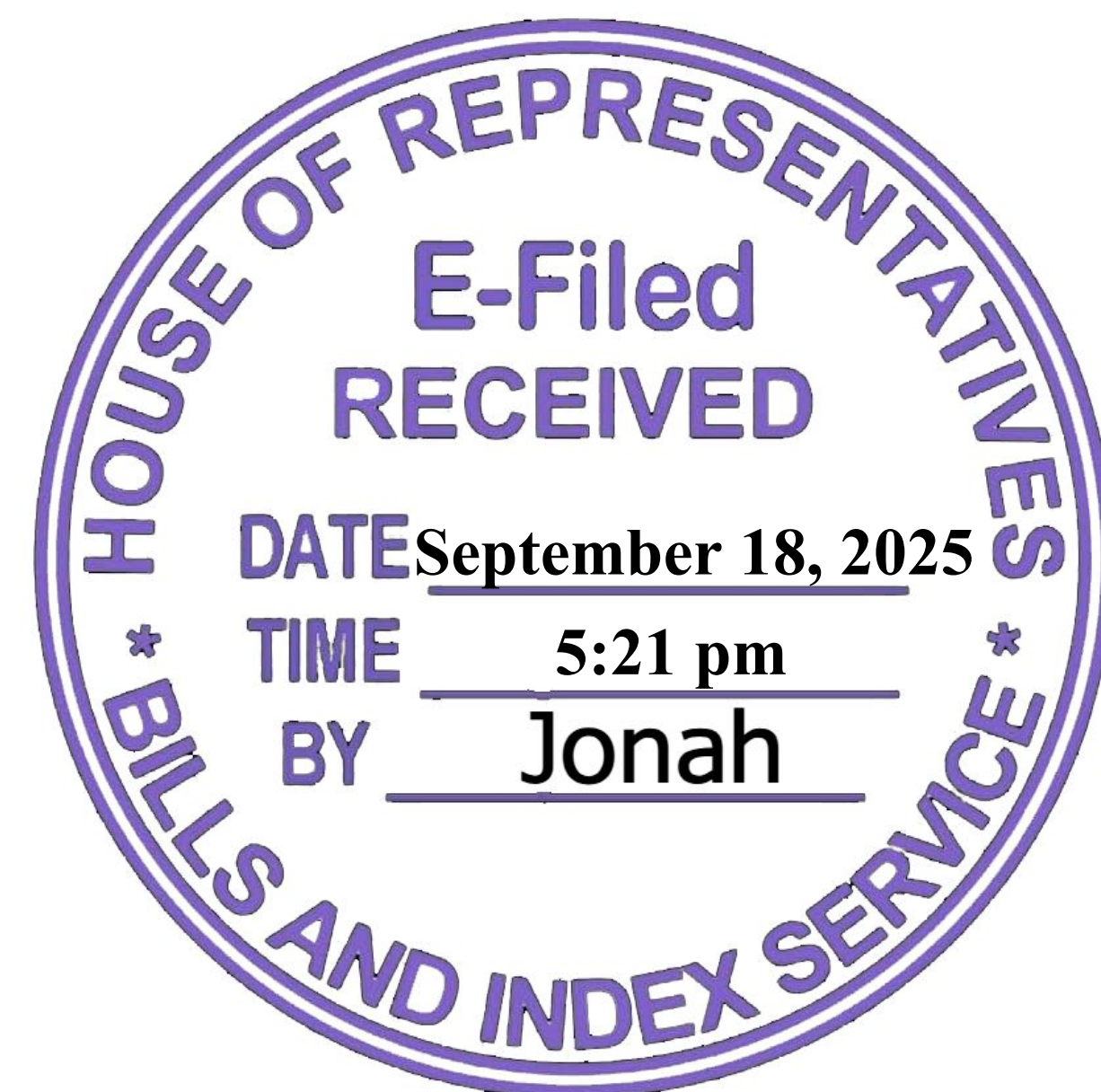




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 4703



Introduced by REPRESENTATIVE MARIA CRISTINA C. ANGELES

EXPLANATORY NOTE

A contract, under our Civil Code, is founded on a meeting of minds. Consent is valid only when it is freely and knowingly given. Yet for many Filipinos, especially those who have not finished college, consent often becomes a mere formality: signatures are affixed to contracts written in a language or style they cannot fully grasp. Article 1332 of the Civil Code already recognizes this vulnerability: if a party cannot read, or if the contract is in a language not understood by them, the burden is on the other party to prove that the contract was explained. In practice, however, this protection only comes into play when a dispute reaches the courts. By then, the weaker party has already suffered exploitation.

This bill seeks to bring Article 1332 to life. It mandates that when one party has not finished college education, the contract must be faithfully translated into the local dialect or language understood by that party. This ensures that contracts are not traps of technical jargon, but real instruments of fairness and mutual understanding. The measure balances fairness and commercial stability. Contracts remain valid, but if entered into without proper translation, the disadvantaged party may annul or ratify them upon receiving a translation. Notaries public, lawyers, and drafters are tasked with ensuring compliance, and penalties are imposed for deliberate omission.

This is a pro-people, pro-consumer, and pro-worker measure. It addresses the ordinary Filipino's frustration: "Pinapapirma kami sa kontrata na hindi namin naiintindihan." By guaranteeing that contracts are explained in the language of the people, we strengthen trust, dignity, and social justice.

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


MARIA CRISTINA C. ANGELES



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HOUSE BILL NO. 4703

Introduced by REPRESENTATIVE MARIA CRISTINA C. ANGELES

**AN ACT MANDATING THE FAITHFUL TRANSLATION OF
CONTRACTS OF LOAN, EMPLOYMENT, SERVICE AND SALE OF
REAL PROPERTY TO ENSURE INFORMED CONSENT, IN
IMPLEMENTATION OF ARTICLE 1332 OF THE CIVIL CODE,
PROVIDING FLEXIBLE ENFORCEMENT THEREOF, AND FOR
OTHER PURPOSES**

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 the “Simpleng Kontrata, Simpleng Hustiya Act of 2025”

SECTION 2. *Declaration of Policy.* — It is the policy of the State to ensure that contracts are entered into with genuine consent and full understanding. Under the Civil Code, a contract is valid only upon a true meeting of the minds. This meeting cannot exist where one party is unable to read or comprehend the language of the agreement.

While Article 1332 of the Civil Code provides protection for such disadvantaged parties, it has remained largely a remedy raised only in court, when the injury has already been suffered. This Act seeks to bring that protection at the very moment of signing, by requiring translation or explanation of contracts in the language actually understood by the party.

In recognition of the reality that many Filipinos—farmers, fisherfolk, laborers, drivers, vendors, and workers—may not have completed college education but are regularly required to sign contracts, the State affirms that no one should be bound by obligations they cannot understand.

Contracts should not be weaponized but be tools of fairness and trust. This Act levels the playing field, protects vulnerable sectors, and fulfills the constitutional mandate of promoting social justice and the dignity of all persons.

SECTION 3. *Coverage.* — This Act shall apply to all written contracts of loan, employment, service and sale of real property, public or private, executed within the Philippines where at least one party has not completed a college degree at the time of signing.

SECTION 4. *Mandatory Faithful Translation.* —

- (a) Where one of the parties has not completed a college education, the contract shall be faithfully translated into the local dialect or language understood by such party (e.g., Tagalog, Cebuano, Ilocano, Kapampangan, Bicolano, Waray, and others).
- (b) The translation shall accompany the original contract and form an integral part thereof.
- (c) The concerned party shall sign or thumbmark both the original contract and the translated version

SECTION 5. *Presumption of Invalidity and Ratification.* — Any contract executed without the faithful translation required under this Act shall be presumed invalid and unenforceable as against the party who has not completed a college education. The burden of proving that the disadvantaged party fully understood the contract shall rest upon the other contracting party seeking to enforce it.

Such contract, however, may be ratified at any time through the execution of a translated version in the language or dialect understood by the disadvantaged party. Ratification shall have retroactive effect to the date of the original contract.

SECTION 6. *Duties of Notaries Public, Lawyers, and Contract Drafters.* —

- (a) **Prohibition on Notarization.** — No contract covered by this Act shall be notarized unless it is accompanied by the required faithful translation in the language or dialect understood by the disadvantaged party. Waiver of translation shall not be presumed and must be made in writing in the language understood by the disadvantaged party.
- (b) **Duty of Inquiry.** — Notaries public, lawyers, and other persons preparing contracts shall have the duty to inquire into and record the educational attainment of all contracting parties. Where one party has not completed a college degree, the notary public shall require compliance with the mandatory translation requirement prior to notarization.
- (c) **Notarial Register.** — The notarial register shall include an entry indicating the educational attainment of the parties to the instrument, and whether a faithful translation was attached and signed.

(d) Revision of Notarial Practice Rules. — For this purpose, the Supreme Court, through its authority to regulate the practice of law under Article VIII of the Constitution, shall amend the 2004 Rules on Notarial Practice to incorporate the duties herein provided, including:

1. mandatory inquiry into educational attainment;
2. prohibition against notarization of untranslated contracts; and
3. recording of educational attainment and translation in the notarial register.

SECTION 7. *Penalties.* —

- (a) Any person who knowingly omits the translation required under this Act shall be liable to a fine of not less than Thirty Thousand Pesos (P30,000.00) but not more than One Hundred Fifty Thousand Pesos (P150,000.00), without prejudice to civil and criminal liability.
- (b) Notaries public found in violation shall, in addition, be subject to suspension or revocation of their commission.

SECTION 8. *Implementing Rules and Regulations.* — Within ninety (90) days from the effectivity of this Act, the Department of Justice (DOJ), in coordination with the Department of Education (DepEd) and the Komisyon sa Wikang Filipino (KWF), shall promulgate the necessary rules and regulations to implement this Act.

SECTION 9. *Separability Clause.* — If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected shall remain in full force and effect.

SECTION 10. *Repealing Clause.* — All laws, decrees, orders, rules, and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SECTION 11. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.