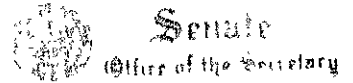


SIXTEENTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )



'13 SEP 11 P2:36

SENATE

Senate Bill No. 1636

RECEIVED BY: *ji*

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INTRODUCED BY SEN. JINGGOY EJERCITO ESTRADA

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EXPLANATORY NOTE

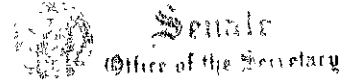
The Corporation Code came into existence in order to provide a legal framework for the establishment, operation, regulation and interaction of corporate entities in an ever-changing Philippine commercial horizon.

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

SIXTEENTH CONGRESS OF THE REPUBLIC  
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**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 (P10,000.00) but not more than ONE HUNDRED THOUSAND [ten thousand (P10,000.00)] pesos (P100,000.00) or by imprisonment for not less than SIX (6) YEARS [thirty (30) days] but not more than TWELVE (12) [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. *Repealing Clause.*** All laws or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

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

*Approved,*