



**REPUBLIC OF THE PHILIPPINES**  
**KAGAWARAN NG KALAKALAN AT INDUSTRIYA**  
**(Department of Trade & Industry)**  
Trade & Industry Building  
361 (Buendia) Sen. Gil J. Puyat Avenue, Makati City 3117  
P.O. Box 3328, MCC. Tel. No. 890-49-01/Fax: 890-48-72



**DEPARTMENT ADMINISTRATIVE ORDER NO. 6**  
**Series of 1999**

**SUBJECT : PRESCRIBING A REVISED SCHEDULE OF FEES**  
**AND CHARGES, AND FOR OTHER PURPOSES**

Pursuant to Section 54, Book IV of the Administrative Code of 1987, Executive Order No. 159, Series of 1994 as implemented by DOF-DBM Joint Circular No. 2-94, directing the Department of Trade and Industry, among others, to revise its fees and charges at just and reasonable rates sufficient to recover at least the full cost of services rendered, the following revised schedule of fees and charges is hereby prescribed and promulgated for the information, guidance and compliance of all concerned:

**ARTICLE I**

**SCOPE**

**Section 1. *This Order covers fees and charges relative to:***

**A) ACCREDITATION OF SERVICE AND REPAIR ENTERPRISES AND THEIR TECHNICAL EMPLOYEES** under Presidential Decree 1572 as implemented by Ministry Order No. 32, Series of 1985; R.A 7394, otherwise known as the Consumer Act of the Philippines as implemented by Department Administrative Order No. 2, Series of 1993 as amended by Department Order No. 69, Series of 1993;

**B) REGISTRATION OF BUSINESS NAMES AND STYLES** as provided under Act No. 3883 as amended by Act No. 4147 and Republic Act No. 863, as implemented by Domestic Trade Administrative Order No. 80, Series of 1982 as amended;

**C) ISSUANCE OF LICENSES AND/OR PERMITS TO REAL ESTATE BROKERS, SALESMEN, APPRAISERS, CONSULTANTS, REALTY ORGANIZATIONS, SHIP AGENTS AND MERCHANDISE BROKERS**(under Act No. 2728 as amended by Acts 3715 and 3969, and as implemented by Commerce Administrative Order No.3,

Series of 1933; Commerce Administrative Order No. 2, Series of 1956; Department Administrative Order No. 1, Series of 1975 as amended by Department Administrative Order 1-A Series of 1977 and Department Administrative Order No. 1-B, Series of 1982; Ministry Order No. 39, Series of 1985; Department Order No. 22, Series of 1987; and Department Administrative Order No. 2, Series of 1988);

**D) ISSUANCE OF LICENSES TO MANUFACTURERS, IMPORTERS, WHOLESALERS, RETAILERS, SALESMEN, SERVICE FIRMS, TECHNICIANS OF FIRE EXTINGUISHERS** under Presidential Decree 1185 as implemented by Department Administrative Order No. 2, Series of 1979, as well as Letter of Instructions No. 727, creating the National Fire Safety Council;

**E) ISSUANCE OF LICENSES/PERMITS TO BONDED WAREHOUSES** under Act No. 3893 as amended by Republic Act No. 247, commonly known as the "General Bonded Warehouse Law";

## ARTICLE II

### ACCREDITATION OF SERVICE AND REPAIR ENTERPRISES

**Section 1. FEES.-** The fees for accreditation of service and repair enterprises for Electronics, Electrical, Air-conditioning, Refrigeration, Motor Vehicles, Heavy Equipment, Engine and Engineering Works, Right-Hand Drive Vehicles, Office Machine, Data Processing Equipment and Medical/Dental Equipment shall be as follows:

<u>CLASSIFICATION</u>	<u>ORIGINAL</u> <i>Filing fees / Accreditation fees</i>		<u>RENEWAL</u>
a. One(1)- Star	<b>P50.00</b>	<b>P350.00</b>	<b>P350.00</b>
b. Two(2)- Star	<b>50.00</b>	<b>400.00</b>	<b>400.00</b>
c. Three(3)- Star	<b>50.00</b>	<b>425.00</b>	<b>425.00</b>
d. Four(4)- Star	<b>50.00</b>	<b>450.00</b>	<b>450.00</b>
e. Five(5)- Star	<b>50.00</b>	<b>500.00</b>	<b>500.00</b>
f. Medical/Dental	<b>50.00</b>	<b>350.00</b>	<b>350.00</b>

**Sec. 2. LIFE OF THE CERTIFICATE; RENEWAL.-** The Certificate of Accreditation shall be good for one(1) year from the date of its original registration. The application for renewal shall be made on or before the 31st of January every year. An applicant who filed his application for renewal after the date referred to shall pay a surcharge equivalent to twenty-five percent(**25%**) of the annual fee in addition to the annual fee.

**Sec. 3. OTHER FEES / CHARGES.**

- |  |  |
|--|--|
| (a) For Certification; Replacement of a lost/destroyed Certificate | <b>P50.00</b>  |
| (b) For Listing of Accredited Enterprises                          | <b>P20.00 for the 1st 5 pages &amp; P3.00/page per succeeding page</b> |
| (c) For Listing of Accredited Enterprises (in diskette)            | <b>P5.00/Accredited Enterprise</b>                                     |

**ARTICLE III**

**REGISTRATION OF BUSINESS NAMES**

**Section 1. REGISTRATION FEE . -** To cover the costs of research, processing and other miscellaneous expenses for each Business Name, Firm Name or Style registered, a Registration Fee shall be collected as follows

- |                                  |                |
|----------------------------------|----------------|
| a. For Sole Proprietorships      | <b>P300.00</b> |
| b. For Partnerships/Corporations | <b>500.00</b>  |

**Sec. 2. LIFE OF THE CERTIFICATE; RENEWAL.-** The Certificate of Registration shall be good for Five(5) years from the date of its original registration. The application for renewal may be filed within three(3) months from the expiration of the five(5)-year period, without surcharge.

**Sec. 3. SURCHARGE.-** If the application for renewal is filed after the said period of three(3) months, it shall be subject to a surcharge to be added to

the Registration Fee. The amount of surcharge for late renewal shall be ONE HUNDRED PESOS (P100.00)

**Sec. 4. RECKONING PERIOD.-** In case of renewal , the five(5)-year life of the certificate of registration shall be reckoned from the date of its approval.

**Sec. 5. OTHER FEES / CHARGES.**

- |   |   |
|---|---|
| a. For Certification<br>e.g. ( Negative Certification, Change of<br>address, Additional line of business,<br>Increase or decrease in Capital) | <b>P 50.00</b>  |
| b. For Credit Investigation   | <b>50.00/BN</b>   |
| c. For Listing of Registered Business Name  | <b>20.00/page for 1st<br/>5 pages &amp; P3.00 per<br/>succeeding page</b> |
| d. For Listing of Registered Business Name<br>(in diskette)   | <b>P5.00/BN</b>   |

**ARTICLE IV**

**BUSINESS LICENSING/ PERMISSION**

**Section 1. REAL ESTATE EXAMINATION FEE.-** Subject to other qualification requirements imposed under applicable laws, rules and regulations, any person who desires to engage in real estate practice, such as, salesman, broker, appraiser and consultant, must take and pass the required qualifying examination and pay the corresponding Examination Fee in the amount of TWO HUNDRED AND FIFTY PESOS(P 250.00).

**Sec 2. REALTY PRACTICE.-** For purposes of issuing the required license and in addition to all other requirements under the law, there shall be collected, license fees and/or charges for the following:

- |                                |                |
|--------------------------------|----------------|
| a) Real Estate Salesman        | <b>P200.00</b> |
| b) Real Estate Broker          | <b>350.00</b>  |
| c) Real Estate Appraiser       | <b>400.00</b>  |
| d) Real Estate Consultant      | <b>500.00</b>  |
| e) Realty Service Organization | <b>650.00</b>  |

**Sec. 3. DURATION OF LICENSE; RENEWAL.**- All license issued for real estate brokers/ salesmen shall expire on December 31st of each year. Provided; that in the case of real estate appraisers and consultants, the duration of the license shall be for a period of three (3) years. Provided further; that the license fees for the three year period shall be paid in full upon issuance of license. License may be renewed within thirty (30) days after its expiry date upon application in the form duly prescribed by the Bureau.

**Sec 4. SURCHARGE..** - If the licensee renews the certificate after thirty (30) days but within the year for renewal, a surcharge of fifty (50%) percent of the basic fee in addition to the license fee shall be paid. If renewal is made after one or more years, there shall be paid a basic license fee for all the years the licensee was not licensed plus fifty (50%) percent surcharge on the total basic fee.

**Sec. 5. SHIP BROKER; MERCHANDISE BROKER..**- There shall be collected a corresponding fee for the licensing/ permission of Ship Brokers and Merchandise Brokers. The fees are as follows:

a) Ship Broker	<b>P 350.00</b>
b) Merchandise Broker	<b>350.00</b>

The certificate of authority issued under this section shall be in force for one year, which shall contain four (4) quarters ending March 31, June 30, September 30 and December 31. A fraction of a quarter shall be considered as one quarter. Application for renewal may be filed within thirty (30) days from the expiry date. Renewal of Certificate of Authority beyond the thirty (30) day grace period shall be charged the following surcharge, to wit:

- a) One month late.....Ten(10%) percent
- b) Two (2) months late.....Twenty (20%) percent
- c) Three (3) months late..... Thirty (30%) percent
- d) Four (4) to Five (5) months late.....Forty (40%) percent
- e) Six (6) months and beyond. . . . . Fifty (50%) percent

The surcharge is based on the basic fee and is paid in addition to the basic fee.

**Sec. 6. OTHER FEES AND / OR CHARGES.-** A corresponding fee and/ or charge for the following shall also be collected:

a) Change of Address	P 50.00
b) Transfer of Saleman's License	50.00
c) Certifications/ Certified Copy	50.00

**Sec. 7. REGULATION OF FIRE EXTINGUISHER BUSINESS.-** Apart from all other requirements imposed by law relative to the regulation of Fire Extinguisher businesses, the required license/permit fee and/or other charges for Fire Extinguisher on the following shall be collected:

a. Importer	P 5,000.00
b. Manufacturer	3,000.00
c. Wholesaler	1,500.00
d. Retailer	150.00
e. Service Firm	150.00
f. Salesman	100.00
g. Technician	100.00

**Sec. 8. TERM OF LICENSE; RENEWAL; SURCHARGE.-** The license certificate issued under the preceding section shall expire on the 31st day of December of each year. Renewal may be made within sixty-(60) day from the expiry date upon due application and payment of the prescribed fee. Failure on the part of the licensee to renew within the said period shall cause the licensee to pay a surcharge of fifty (50 %) of the renewal fee in addition to the renewal fee.

**Sec. 9. REGULATION OF BONDED WAREHOUSES.-** Persons engaged in the business of "warehouse" as defined under the Bonded Warehouse Act, as amended, are required to pay license/permit fee and/or charge on the basis of the following:

a. For the 1st 1,000 cu.m.	P100.00
b. Beyond 1,000 cu.m.	.50

ARTICLE V

MISCELLANEOUS PROVISIONS

**Section 1. CREDITING OF PAYMENTS.-** Payments made by mistake (e.g., excess payments) for any of the fees covered by this Order, shall be refunded to the payor, not directly but by way of crediting the mistake payments to future financial obligations of the payor to the concerned DTI office.

**Sec. 2. SEPARABILITY CLAUSE. -** In the event that any provision/s of these rules and regulations or the application of any such provision/s to any person or circumstances is declared invalid, all other provisions unaffected shall continue to remain in full force and effect.

**Sec. 3. REPEALING CLAUSE. -** All Orders and rules and regulations of parts thereof inconsistent herewith are hereby repealed or amended accordingly.

**Sec. 4. PUBLICATION AND EFFECTIVITY.** This Order shall be published in two (2) newspapers of general circulation in the Philippines and shall take effect fifteen (15) days after said publication.

**DONE** this 14<sup>th</sup> day of JULY 1999, in the City of Makati, Philippines.

  
JOSE TRINIDAD PARDO  
Secretary *sm*

Recommending Approval:

  
Asst. Secretary Zenaida Cuison-Maglaya  
Caretaker, BTRCP



**REPUBLIC OF THE PHILIPPINES**  
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DEPARTMENT ADMINISTRATIVE ORDER NO. 2  
 Series of 1999

**SUBJECT : PRESCRIBING A REVISED SCHEDULE OF FEES AND CHARGES, AND FOR OTHER PURPOSES**

Pursuant to Section 54, Book IV of the Administrative Code of 1987, Executive Order No. 159, Series of 1984 as implemented by DOF-DBM Joint Circular No. 2-94, directing the Department of Trade and Industry, among others, to revise its fees and charges at just and reasonable rates sufficient to recover at least the full cost of services rendered, the following revised schedule of fees and charges is hereby prescribed and promulgated for the information, guidance and compliance of all concerned:

**ARTICLE I**  
**SCOPE**

Section 1. This Order covers fees and charges relative to:

- A) ACCREDITATION OF SERVICE AND REPAIR ENTERPRISES AND THEIR TECHNICAL EMPLOYEES under Presidential Decree 1572 as implemented by Ministry Order No. 32, Series of 1985; R.A. 7394, otherwise known as the Consumer Act of the Philippines as implemented by Department Administrative Order No. 2, Series of 1993 as amended by Department Order No. 69, Series of 1993;
- B) REGISTRATION OF BUSINESS NAMES AND STYLES as provided under Act No. 3883 as amended by Act No. 4147, and Republic Act No. 883 as implemented by Domestic Trade Administrative Order No. 80, Series of 1982 as amended;
- C) ISSUANCE OF LICENSES AND/OR PERMITS TO REAL ESTATE BROKERS, SALESMEN, APPRAISERS, CONSULTANTS, REALTY ORGANIZATIONS, SHIP AGENTS AND MERCHANDISE BROKERS (under Act No. 2728 as amended by acts 3715 and 3969, and as implemented by Commerce Administrative Order No. 3, Series of 1933; Commerce Administrative Order No. 2, Series of 1956; Department Administrative Order No. 1, Series of 1975 as amended by Department Administrative Order 1-A Series of 1977 and Department Administrative Order No. 1-B, Series of 1982; Ministry Order No. 39, Series of 1985; Department Order No. 2, Series of 1987; and Department Administrative Order No. 22, Series of 1988);
- D) ISSUANCE OF LICENSES TO MANUFACTURERS, IMPORTERS, WHOLESALESALES, RETAILERS, SALESMEN, SERVICE FIRMS, TECHNICIANS OF FIRE EXTINGUISHERS under Presidential Decree 1185 as implemented by Department Administrative Order No. 2, Series of 1979, as well as Letter of Instructions No. 727, creating the National Fire Safety Council;
- E) ISSUANCE OF LICENSES/PERMITS TO BONDED WAREHOUSE under Act No. 3893 as amended by Republic Act No. 247, commonly known as the "General Bonded Warehouse Law";

**ARTICLE II**

**ACCREDITATION OF SERVICE AND REPAIR ENTERPRISES**

Section 1. FEES. - The fees for accreditation of service and repair enterprises for Electronics, Electrical, Air-conditioning, Refrigeration, Motor Vehicles, Heavy Equipment, Engine and Engineering Works, Right-Hand Drive Vehicles, Office Machines, Data Processing Equipment and Medical/Dental Equipment shall be as follows:

CLASSIFICATION	ORIGINAL	RENEWAL
Filing fees / Accreditation fees		
a. One(1)-Star	P50.00	P350.00
b. Two(2)-Star	50.00	400.00
c. Three(3)-Star	50.00	425.00
d. Four(4)-Star	50.00	450.00
e. Five(5)-Star	50.00	500.00
f. Medical/Dental	50.00	350.00

Sec. 2. LIFE OF THE CERTIFICATE; RENEWAL. - The Certificate of Accreditation shall be good for one(1) year from the date of its original registration. The application for renewal shall be made on or before the 31st of January every year. An applicant who filed his application for renewal after the date referred to shall pay a surcharge equivalent to twenty-five percent(25%) of the annual fee in addition to the annual fee.

**Sec. 3. OTHER FEES / CHARGES.**

- (a) For Certification; Replacement of a lost/destroyed Certificate P50.00
- (b) For Listing of Accredited Enterprises P20.00 for the 1st 5 pages & P3.00/page per succeeding page
- (c) For Listing of Accredited Enterprises (in diskette) P5.00/Accredited Enterprise

**ARTICLE III**

**REGISTRATION OF BUSINESS NAMES**

Section 1. REGISTRATION FEE. - To cover the costs of research, processing and other miscellaneous expenses for each Business Name, Firm Name or Style registered, a Registration Fee shall be collected as follows

- a. For Sole Proprietorships P300.00
- b. For Partnerships/Corporations 500.00

Sec. 2. LIFE OF THE CERTIFICATE; RENEWAL. - The Certificate of Registration shall be good for Five(5) years from the date of its original registration. The application for renewal may be filed within three (3) months from the expiration of the five(5)-year period, without surcharge.

Sec. 3. SURCHARGE. - If the application for renewal is filed after the said period of three(3) months, it shall be subject to a surcharge to be added to the Registration Fee. The amount of surcharge for late renewal shall be ONE HUNDRED PESOS (P100.00).

Sec. 4. RECKONING PERIOD. - In case of renewal, the five(5)-year life of the certificate of registration shall be reckoned from the date of its approval.

**Sec. 5. OTHER FEES / CHARGES.**

- a. For Certification e.g. (Negative Certification, Change of address, Additional line of business, increase or decrease in Capital) P50.00
- b. For Credit Investigation 50.00/BN
- c. For Listing of Registered Business Name 20.00/page for 1st 5 pages & P3.00 per succeeding page
- d. For Listing of Registered Business Name (in diskette) 5.00/BN

**ARTICLE IV**

**BUSINESS LICENSING/PERMISSION**

Section 1. REAL ESTATE EXAMINATION FEE. - Subject to other qualification

DEPARTMENT ADMINISTRATIVE ORDER NO. 7  
 Series of 1999

Pursuant to Title X, Book IV of E.O. 292, otherwise known as the Administrative Code of 1987 and to more effectively implement Article 154 (e) of Republic Act No. 7394, otherwise known as the Consumer Act of the Philippines, Section 6 (e) of Executive Order No. 915 and Section 10 (g) of Republic Act No. 7381, respectively, the following rules are hereby promulgated for the information, guidance and compliance of all concerned.

**ARTICLE I-TITLE**

Section 1. Title. - This Department Administrative Order is referred to as Schedule of Fines.

**ARTICLE II-COVERAGE**

Section 1. Scope & Coverage - This Order covers administrative fines relative to:

- a) R.A. 7384 (Consumer Act of the Philippines)
- b) R.A. 7381 (Price Act)
- c) E.O. 915, specifically on the following:
  - 1. R.A. No. 71-Price Tag Law
  - 2. Act No. 3583, as amended, Business Name Law
  - 3. Act No. 2728 as amended by Acts 3715 & 3969-Law on Brokerage
  - 4. R.A. 3952-Bulk Sales Law
  - 5. Act No. 3893-Bonded Warehouse Act

**ARTICLE III**

Section 1. Interpretation. - In case of doubt, this Order shall be interpreted taking into consideration the best interest of the consumers.

**ARTICLE IV-SCHEDULE OF FINES FOR RA 7384**

Section 1. The administrative fine to be imposed for violation of the Consumer Act of the Philippines shall be in such amount as deemed reasonable by the Secretary which shall in no case be less than Five Hundred (P500.00) pesos nor more than Three Hundred Thousand (P300,000.00) pesos depending on the gravity of the offense and an additional fine of not more than One Thousand (P1,000.00) pesos for each day of continuing violation.

Section 2. The provision of the preceding section shall apply to the following provisions of the Consumer Act:

- 1. Price Tag
- 2. Metrication
- 3. Advertising and Sales Promotion
- 4. Labeling and Fair Packaging
- 5. Deceptive, Unfair and Unconscionable Sales Act and Practices
  - 5.1 Home Solicitation
  - 5.2 Referral Sales
  - 5.3 Chain Distribution
  - 5.4 Other Deceptive, Unfair and Unconscionable Sales Act & Practices
- 6. Consumer Product and Service Warranties
- 7. Liability for Products and Services
- 8. Regulation of Repair and Service Firms
- 9. Product Quality & Safety

Section 3. Without prejudice to all other considerations provided herein, the following schedule shall be the basis in the imposition of administrative fine for violation of the Consumer Act, particularly on the provisions on price tag and metrication.

**SCHEDULE I**

	RETAILER	WHOLESALE	MANUFACTURER
Basic Fine	P500.00	P1,000.00	P2,000.00
Minimum	500-10,000.00	1,000-25,000.00	2,000-50,000.00
Medium	1,000-50,000.00	2,000-100,000.00	4,000-100,000.00
Maximum	2,000-50,000.00	4,000-100,000.00	8,000-180,000.00

Section 4. In addition to all other requirements provided in this Order, the infraction to be applied in cases of violation of the Consumer Act as provided in Sec. 2, except (1) and (2) are as follows:

**SCHEDULE II**

	RETAILER	WHOLESALE	MANUFACTURER
Basic Fine	P500,000	P1,000,000	P2,000,000
Minimum	P500-80,000.00	P1,000-25,000.00	P2,000-50,000.00
Medium	P1,000-100,000.00	P2,000-50,000.00	P4,000-100,000.00
Maximum	P2,000-180,000.00	P4,000-100,000.00	P8,000-300,000.00

Section 5. In the event the offender is engaged in two or more activities, the activity to which a higher penalty corresponds, shall be the basis in imposing the administrative fine.

**ARTICLE V-FINES IMPOSABLE UNDER R.A. 7381**

Section 1. For violation of Trade and Industry Laws under EO 915 mentioned elsewhere, the imposed administrative fine shall be in such amount as deemed reasonable by the Secretary which shall in no case be less than Five Hundred (P500.00) pesos nor more than One Hundred Fifty Thousand (P150,000.00) pesos taking into consideration the surrounding circumstances.

Section 2. The following Schedule shall apply to violations mentioned in the preceding section, after consideration of the attendant circumstances mentioned in Article VII and VIII of this Order.

**SCHEDULE III**

	RETAILER	WHOLESALE	MANUFACTURER
Basic Fine	P500.00	P1,000.00	P2,000.00
Minimum	P500-10,000.00	P1,000-25,000.00	P2,000-50,000.00
Medium	P1,000-25,000.00	P2,000-50,000.00	P4,000-100,000.00
Maximum	P2,000-50,000.00	P4,000-100,000.00	P8,000-180,000.00

**ARTICLE VI-FINES IMPOSABLE UNDER THE PRICE ACT**

Section 1. Pursuant to Section 10 (g) of R.A. 7381, an administrative fine of not less than One Thousand (P1,000.00) pesos nor more than One Million (P1,000,000.00) pesos shall be imposed for violation of the aforementioned law subject to the circumstances provided herein and after due notice and hearing.

Section 2. In determining the impossible fine for violation of the Price Act, the following schedule shall be taken into consideration:

**SCHEDULE IV**

	RETAILER	WHOLESALE	MANUFACTURER
Basic Fine	P1,000.00	P2,000.00	P5,000.00
Minimum	P2,000-75,000.00	P3,000-150,000.00	P4,000-500,000.00
Medium	P3,000-150,000.00	P4,000-250,000.00	P6,000-500,000.00
Maximum	P4,000-300,000.00	P6,000-500,000.00	P8,000-1,000,000.00

Section 3. Whenever the offender is engaged in two or more activities, the activity to which a higher fine is attached shall be imposed, subject to all other requirements of the law.

**ARTICLE VII. CIRCUMSTANCES TO BE CONSIDERED IN THE IMPOSITION OF FINES**

Section 1. In addition to all other considerations in the imposition of fines mentioned in this Order, circumstances such as mitigating, aggravating and alternative shall be taken into account to arrive at an appropriate fine for violation of the laws covered by this Order.

Section 2. Mitigating circumstances. The following are considered mitigating circumstances:



**REGISTRATION OF BUSINESS NAMES**

**Section 1. REGISTRATION FEE.** - To cover costs of research, processing and other miscellaneous expenses for each Business Name, Firm Name or Style registered, a Registration Fee shall be collected as follows:

- a. For Sole Proprietorships P300.00
- b. For Partnerships/Corporations 500.00

**Sec. 2. LIFE OF THE CERTIFICATE; RENEWAL.** - The Certificate of Registration shall be good for Five (5) years from the date of its original registration. The application for renewal may be filed within three (3) months from the expiration of the five (5)-year period, without surcharge.

**Sec. 3. SURCHARGE.** - If the application for renewal is filed after the said period of three (3) months, it shall be subject to a surcharge to be added to the Registration Fee. The amount of surcharge for late renewal shall be ONE HUNDRED PESOS (P100.00).

**Sec. 4. RECKONING PERIOD.** - In case of renewal, the five (5)-year life of the certificate of registration shall be reckoned from the date of its approval.

**Sec. 5. OTHER FEES / CHARGES.**

- a. For Certification e.g. (Negative Certification, Change of address, Additional line of business, increase or decrease in Capital) P50.00
- b. For Credit Investigation 50.00/BN
- c. For Listing of Registered Business Name 20.00/page for 1st 5 pages & P3.00 per succeeding page
- d. For Listing of Registered Business Name (in diskette) 5.00/BN

**ARTICLE IV**

**BUSINESS LICENSING/PERMISSION**

**Section 1. REAL ESTATE EXAMINATION FEE.** - Subject to other qualification requirements imposed under applicable laws, rules and regulations, any person who desires to engage in real estate practice, such as, salesman, broker, appraiser and consultant, must take and pass the required qualifying examination and pay the corresponding Examination Fee in the amount of TWO HUNDRED AND FIFTY PESOS (P250.00).

**Sec. REALTY PRACTICE.** - For purposes of issuing the required license and in addition to all other requirements under the law, there shall be collected, license fees and/or charges for the following:

- a) Real Estate Salesman P200.00
- b) Real Estate Broker 350.00
- c) Real Estate Appraiser 400.00
- d) Real Estate Consultant 500.00
- e) Realty Service Organization 650.00

**Sec. 3. DURATION OF LICENSE; RENEWAL.** - All license issued for real estate brokers/salemen shall expire on December 31st of each year. Provided, that in the case of real estate appraisers and consultants, the duration of the license shall be for a period of three (3) years. Provided further, that the license fees for the three year period shall be paid in full upon issuance of license. License may be renewed within thirty (30) days after its expiry date upon application in the form duly prescribed by the Bureau.

**Sec. 4. SURCHARGE.** - If the licensee renews the certificate after thirty (30) days but within the year for renewal, a surcharge of fifty (50%) percent of the basic fee in addition to the license fee shall be paid. If renewal is made after one or more years, there shall be paid a basic license fee for all the years the licensee was not licensed plus fifty (50%) percent surcharge on the total basic fee.

**Sec. 5. SHIP BROKER; MERCHANDISE BROKER.** - There shall be collected a corresponding fee for the licensing/permission of Ship Brokers and Merchandise Brokers. The fees are as follows:

- a) Ship Broker P 350.00
- b) Merchandise Broker 350.00

The certificate of authority issued under this section shall be in force for one year, which shall contain four (4) quarters ending March 31, June 30, September 30 and December 31. A fraction of a quarter shall be considered as one quarter. Application for renewal may be filed within thirty (30) days from the expiry date. Renewal of Certificate of Authority beyond the thirty (30) day grace period shall be charged the following surcharge, to wit:

- a) One month late Ten (10%) percent
- b) Two (2) months late Twenty (20) percent
- c) Three (3) months late Thirty (30%) percent
- d) Four (4) to Five (5) months late Forty (40%) percent
- e) Six (6) months and beyond Fifty (50%) percent

The surcharge is based on the basic fee and is paid in addition to the basic fee.

**Sec. 6. OTHER FEES AND / OR CHARGES.** - A corresponding fee and/or charge for the following shall also be collected:

- a) Change of Address P 50.00
- b) Transfer of Salesman's License 50.00
- c) Certifications/ Certified Copy 50.00

**Sec. 7 REGULATION OF FIRE EXTINGUISHER BUSINESS.** - Apart from all other requirements imposed by law relative to the regulation of Fire Extinguisher businesses, the required license/permit fee and/or other charges for Fire Extinguisher on the following shall be collected:

- a. Importer P 5,000.00
- b. Manufacturer 3,000.00
- c. Wholesaler 1,500.00
- d. Retailer 150.00
- e. Service Firm 150.00
- f. Salesman 100.00
- g. Technician 100.00

**Sec. 8. TERM OF LICENSE; RENEWAL; SURCHARGE.** - The license certificate issued under the preceding section shall expire on the 31st day of December of each year. Renewal may be made within sixty (60) day from the expiry date upon due application and payment of the prescribed fee. Failure on the part of the licensee to renew within the said period shall cause the licensee to pay a surcharge of fifty (50%) of the renewal fee in addition to the renewal fee.

**Sec. 9 REGULATION OF BONDED WAREHOUSE.** - Persons engaged in the business of "warehouse" as defined under the Bonded Warehouse Act, as amended, are required to pay license/permit fee and/or charge on the basis of the following:

- a. For the 1st 1,000 cu.m. P100.00
- b. Beyond 1,000 cu.m. .50

**ARTICLE V**

**MISCELLANEOUS PROVISIONS**

**Section 1. CREDITING OF PAYMENTS.** - Payments made by mistake (e.g., excess payments) for any of the fees covered by this Order, shall be refunded to the payor, not directly but by way of crediting the mistake payments to future financial obligations of the payor to the concerned DTI office.

**Sec. 2. SEPARABILITY CLAUSE.** - In the event that any provision/s of these rules and regulations or the application of any such provision/s to any person or circumstance is declared invalid, all other provisions unaffected shall continue to remain in full force and effect.

**Sec. 3. REPEALING CLAUSE.** - All Orders and rules and regulations or parts thereof inconsistent herewith are hereby repealed or amended accordingly.

**Sec. 4. PUBLICATION AND EFFECTIVITY.** This Order shall be published in two (2) newspapers of general circulation in the Philippines and shall take effect fifteen (15) days after said publication.

DONE this 14th day of JULY 1999, in the City of Makati, Philippines.

JOSE TRINIDAD PARDO  
Secretary

Recommending Approval:

Asst. Secretary Zepaida Culson-Magtaya  
Caretaker, BTRCP

**SCHEDULE III**

	RETAIL	WHOLESALES	MANUFACTURER/IMPORTER
Basic Fine	P500.00	P1,000.00	P2,000.00
Minimum	P500-10,000.00	P1,000-25,000.00	P2,000-50,000.00
Medium	P1,000-25,000.00	P2,000-50,000.00	P4,000-100,000.00
Maximum	P2,000-50,000.00	P4,000-100,000.00	P8,000-150,000.00

**ARTICLE VI-FINES IMPOSABLE UNDER THE PRICE ACT**

**Section 1.** - Pursuant to Section 10 (9) of R.A. 7581, an administrative fine of not less than One Thousand (1,000.00) pesos nor more than One Million (P1,000,000.00) pesos shall be imposed for violation of the aforementioned law subject to the circumstances provided herein and after due notice and hearing.

**Section 2.** - In determining the impossible fine for violation of the Price Act, the following schedule shall be taken into consideration:

**SCHEDULE IV**

	RETAILER	WHOLESALES	MANUFACTURER
Basic Fine	P1,000.00	P2,000.00	P3,000.00
Minimum	P2,000-75,000.00	P3,000-150,000.00	P4,000-250,000.00
Medium	P3,000-150,000.00	P4,000-500,000.00	P6,000-500,000.00
Maximum	P4,000-500,000.00	P8,000-500,000.00	P20,000-1,000,000.00

**Section 3.** Whenever the offender is engaged in two or more activities, the activity to which a higher fine is attached shall be imposed, subject to all other requirements of the law.

**ARTICLE VII. CIRCUMSTANCES TO BE CONSIDERED IN THE IMPOSITION OF FINES**

**Section 1.** In addition to all other considerations in the imposition of fines mentioned in this Order, circumstances such as mitigating, aggravating and alternative shall be taken into account to arrive at an appropriate fine for violation of the laws covered by this Order.

**Section 2. Mitigating circumstances.** The following are considered mitigating circumstances:

1. Voluntary admission of guilt
2. Willingness to enter into compromise agreement
3. Willingness to furnish evidence and/or testimony against supplier/manufacturer
4. Willingness to execute undertaking to cease and desist from violating any Trade and Industry Law in the future.
5. Good faith
6. Compliance with preventive measure of closure as directed.
7. Any analogous circumstances

**Section 3. Aggravating Circumstances.** The following circumstances are considered aggravating:

1. 2nd or more offense of any TIL
2. Multiple violation of Trade & Industry Law at one instance
3. Violation of Trade & Industry law while undergoing proceedings for violation of another Trade and Industry Law.
4. Violation by means of deceit and/or misrepresentation.
5. Fabrication of Official Receipts and/or documents as a means to hide violation.
6. Non-issuance and/or refusal to issue receipts when required by law
7. Unjustified absence at mediation (bad faith)
8. Non-compliance and/or refusal to comply with the agreement entered into.
9. Employment of force, violence, intimidation by respondent against complainant in securing concession.
10. Taking advantage of emergency situation and the like.
11. Bribery or attempt to bribe public officer to stifle prosecution, without prejudice to public officer's prosecution.
12. Non-compliance with any lawful order, decision, award by mediation/arbitration/adjudication officer.
13. Concealment or attempt to conceal any piece of evidence.
14. Engagement in trade by person whose license/permit or authority had been previously canceled or revoked for violation of Trade & Industry Laws, before the lapse of period for voluntary closure.
15. When offender is a public officer.
16. Offender not being a public officer but connived with public officer without prejudice to the latter's prosecution.
17. Resisting public officer from validly enforcing lawful order.
18. Failure/Refusal without valid reasons to comply or execute any undertaking (e.g. to desist from violating Trade & Industry law)
19. Commencement or engagement in trade/business prior to issuance of license/permit or authority to do business.
20. Failure/non compliance with preventive measure of closure and desist order.
21. Assault upon the person, property or relatives within the 4th civil course of the enforcing officer by reason of their function
22. Respondent by means of false or fraudulent misrepresentation orally or in writing or by other fraudulent means, shall procure from the Bureau the registration, accreditation, license, authority and/or permit to conduct its business.
23. Any analogous circumstances.

**Section 4. Alternative Circumstances.** The following are considered alternative circumstance, which may either be mitigation or aggravating:

1. First Offense - If it involves small quantity - then it mitigating, otherwise it's aggravating.
2. Quantity/Volume of goods involved, if small quantity - then it mitigating, otherwise it's aggravating.
3. Nature of goods involved - If considered necessities goods - its aggravating, if luxury - mitigating
4. Degree of education of violator.
5. Capitalization - For the purpose of determining capitalization of the respondent, reference to its Financial Statements shall be made. If the financial statements are not available or it is necessary to arrive at a reasonable estimate, capitalization shall be determined by computing the total value of violative goods.

**ARTICLE VIII - OTHER CIRCUMSTANCES**

**Section 1.** In the payment of fines, it shall be made in a lump sum and not later than 30 days from the date the undertaking is submitted. However in case the respondent is financially incapable to pay the designated fine in lump sum, the same shall be paid in installment for not exceeding 12 months. An undertaking to pay in installment specifying the due dates of each installment shall be submitted by the respondent.

**Section 2.** In addition to the administrative fine imposed, other penalties such as but not limited to closure, confiscation, and suspension if any circumstances warrant. However, respondent may voluntarily pay a fine in excess of the maximum provided for under Article 84 of RA 7384, Section 2 (2) of EO 915 and Section 10 (9) of R.A. No. 7581, as the case may be, in lieu of the imposition of other penalties attached.

**Section 3.** For every day of continuing violation, amount of P1,000 shall be paid over and above the administrative fine imposed.

**ARTICLE IX - Computation of Imposable Fines and Rates Whether Fine is to be Imposed to the Minimum, Medium or Maximum**

**Section 1.** Basic Fines shall be imposed based on the schedule provided under the rule.

**Section 2.** In order to determine the additional fine and to determine whether the fine to be imposed is in the minimum, medium or maximum, the following rules shall be applied:

1. When there is neither mitigating nor aggravating circumstance present, Medium fine shall be imposed.
  2. When there is only mitigating circumstances present, Minimum fine shall be imposed.
  3. When there is only aggravating circumstances present, Maximum fine shall be imposed.
  4. When both are present, the rule on offsetting shall be first applied. Whatever remains shall be considered in imposing the fine (i.e. to observe either 1, 2, 3).
- (Note: For the First offense involving small-scale stores, use market stalls with capitalization of not more than Fifty Thousand (P50,000.00) pesos only the basic fine of Five Hundred (P500.00) pesos shall be imposed.

**ARTICLE X - Transitory and Final Provision**

**Section 1. Repealing clause.** All rules and regulations or parts thereof which are inconsistent with this Department Administrative Order are hereby repealed or amended accordingly.

**Section 2. Effectivity.** This Order shall take effect after fifteen (15) days following the completion of their publication either in Official Gazette or in a newspaper of general circulation.

Makati City, Philippines, July 14, 1999.

JOSE TRINIDAD PARDO  
Secretary

Recommending Approval:

Asst. Secretary Zepaida Culson-Magtaya  
Caretaker, BTRCP



REPUBLIC OF THE PHILIPPINES  
KAGAWARAN NG KALAKALAN AT INDUSTRIYA  
(Department of Trade and Industry)  
Trade and Industry Building  
381 (Buendia) Sen. Gil J. Puyat Avenue, Makati City 3117  
P.O. Box 3328, MCC, Tel. No. 890-49-01/Fax: 890-48-72



DEPARTMENT OF TRADE AND INDUSTRY  
ADMINISTRATIVE ORDER NO. 1  
Series of 1999

SUBJECT: **ISSUING A REVISED SCHEDULE OF FEES AND CHARGES, AND FOR OTHER PURPOSES**

Pursuant to Section 54, Book IV of the Administrative Code of 1987, Executive Order No. 159, Series of 1994 as implemented by DDT-DBM Joint Circular No. 2-94, directing the Department of Trade and Industry, among others, to revise the fees and charges at just and reasonable rates sufficient to recover at least the full cost of services rendered, the following revised schedule of fees and charges is hereby prescribed and promulgated for the information, guidance and compliance of all concerned:

**ARTICLE I**

**SCOPE**

Section 1. This Order covers fees and charges relative to:

- A) ACCREDITATION OF SERVICE AND REPAIR ENTERPRISES AND THEIR TECHNICAL EMPLOYEES under Presidential Decree 1579 as implemented by Ministry Order No. 32, Series of 1985; RA 7384, otherwise known as the Consumer Act of the Philippines as implemented by Department Administrative Order No. 2, Series of 1988 as amended by Department Order No. 89, Series of 1993;
- B) REGISTRATION OF BUSINESS NAMES AND STYLING provided under Act No. 3983 as amended by Act No. 4147 and Republic Act No. 843, as implemented by Department Administrative Order No. 60, Series of 1982 as amended;
- C) ISSUANCE OF LICENSES/PERMITS TO REAL ESTATE BROKERS, SALESMEN, APPRAISERS, CONSULTANTS, REALTY ORGANIZATIONS, SHIP AGENTS AND MERCHANDISE BROKERS (under Act No. 2728 as amended by Acts 3715 and 3959; and as implemented by Commerce Administrative Order No. 3, Series of 1983; Commerce Administrative Order No. 2, Series of 1984; Department Administrative Order No. 1, Series of 1975 as amended by Department Administrative Order No. 1-A Series of 1977 and Department Administrative Order No. 1-B, Series of 1982; Ministry Order No. 38, Series of 1985; Department Order No. 22, Series of 1987; and Department Administrative Order No. 2, Series of 1988);
- D) ISSUANCE OF LICENSES TO MANUFACTURERS, IMPORTERS, WHOLESALERS, RETAILERS, SALESMEN, SERVICE FIRMS, TECHNICIANS OF FIRE EXTINGUISHERS under Presidential Decree 1185 as implemented by Department Administrative Order No. 2, Series of 1979, as well as Letter of Instructions No. 727, creating the National Fire Safety Council;
- E) ISSUANCE OF LICENSES/PERMITS TO BONDED WAREHOUSES under Act No. 3893 as amended by Republic Act No. 247, commonly known as the "General Bonded Warehouse Law".

**ARTICLE II**

**ACCREDITATION OF SERVICE AND REPAIR ENTERPRISES**

Section 1. FEES. - This fee for accreditation of service and repair enterprises for Electronics, Electrical, Air-conditioning, Refrigeration, Motor Vehicles, Heavy Equipment, Engine and Engineering Works, Right-Hand Drive Vehicles, Office Machine, Data Processing Equipment and Medical/Dental Equipment shall be as follows:

CLASSIFICATION	ORIGINAL	RENEWAL
	Registration fee	Accreditation fee
a. One (1)-Star	P80.00	P360.00
b. Two (2)-Star	80.00	400.00
c. Three (3)-Star	80.00	425.00
d. Four (4)-Star	80.00	480.00
e. Five (5)-Star	80.00	800.00
f. Medical/Dental	80.00	360.00

Sec. 2. LIFE OF THE CERTIFICATE/RENEWAL. - The Certificate of Accreditation shall be good for one (1) year from the date of its original registration. The application for renewal shall be made on or before the 31st of January every year. An applicant who filed his application for renewal after the date referred to shall pay a surcharge equivalent to twenty-five percent (25%) of the annual fee in addition to the annual fee.

**Sec. 3. OTHER FEES / CHARGES.**

- a) For Certificate Replacement of a Lost/Expired Certificate P80.00
- b) For Listing of Accredited Enterprise P20.00 for the 1st page & P1.00/page per succeeding page
- c) For Listing of Accredited Enterprise (in detail) P400/Accredited Enterprise

**ARTICLE III**

**REGISTRATION OF BUSINESS NAMES**

Section 1. REGISTRATION FEE. - To cover the costs of research, processing and other miscellaneous expenses for each Business Name, Firm Name or Style registered, a Registration Fee shall be collected as follows:

- a. For Sole Proprietorships P 300.00
- b. For Partnership/Corporations 800.00

Sec. 2. LIFE OF THE CERTIFICATE/RENEWAL. - The Certificate of Registration shall be good for five (5) years from the date of its original registration. The application for renewal may be filed within three (3) months from the expiration of the five(5)-year period, without surcharge.

Sec. 3. SURCHARGE. - If the application for renewal is filed after the said period of three (3) months, it shall be subject to a surcharge to be added to the Registration Fee. The amount of surcharge for late renewal shall be ONE HUNDRED PESOS (P100.00).

Sec. 4. RECKONING PERIOD. - In case of renewal, the five(5)-year life of the certificate of registration shall be reckoned from the date of its approval.

**Sec. 5. OTHER FEES / CHARGES**

- a. For Certification e.g. Negative Certification, Change of address, Addition/Deletion of business (increase or decrease in Capital) P50.00
- b. For Credit Investigation 80.00/IN
- c. For Listing of Registered Business Name 200.00/page for 1st page & P1.00 per succeeding page
- d. For Listing of Registered Business Name (in detail) P100.00

**ARTICLE IV**

**BUSINESS LICENSING / PERMISSION**

Section 1. REAL ESTATE EXAMINATION FEE. - Subject to other qualification requirements imposed under applicable laws, rules and regulations, any person who desires to engage in real estate practice, such as salesman, broker, appraiser and consultant, shall take and pass the required qualification examination and pay the corresponding Examination Fee in the amount of TWO HUNDRED AND FIFTY PESOS (P 250.00).

Sec. 2. REALTY PRACTICE. - For purposes of issuing the required license and in addition to all other requirements, under the law, there shall be collected, license fees and/or charges for the following:

a) Real Estate Salesman	P200.00
b) Real Estate Broker	350.00
c) Real Estate Appraiser	450.00
d) Real Estate Consultant	500.00
e) Realty Service Organization	650.00

Sec. 3. DURATION OF LICENSE/RENEWAL. - All license issued for real estate brokers/salesman shall expire on December 31st of each year. Provided that in the case of real estate appraisers and consultants, the duration of the license shall be for a period of three (3) years. Provided further, that the license fee for the three year period shall be paid in full upon issuance of license. License may be renewed within thirty (30) days after its expiry date upon application in the form duly prescribed by the Bureau.

Sec. 4. SURCHARGE. - If the licensee renews the certificate after thirty (30) days but within the year for renewal, a surcharge of fifty (50%) percent of the basic fee in addition to the license fee shall be paid. If renewal is made after one or more years, there shall be paid a basic license fee for all the years the licensee was not licensed plus fifty (50%) percent surcharge on the total basic fee.

Sec. 5. SHIP BROKER, MERCHANDISE BROKER. - There shall be collected a corresponding fee for the issuance/permission of Ship Brokers and Merchandise Brokers. The fees are as follows:

a) Ship Broker	P 350.00
b) Merchandise Broker	350.00

The Certificate of authority issued under this section shall be in force for one year, which shall contain four (4) quarters ending March 31, June 30, September 30 and December 31. A fraction of a quarter shall be considered as one quarter. Application for renewal may be filed within thirty (30) days from the expiry date. Renewal of Certificate of Authority beyond the thirty (30) day grace period shall be charged the following surcharge, to wit:

- a) One month late ..... Ten (10%) percent
- b) Two (2) months late ..... Twenty (20%) percent
- c) Three (3) months late ..... Thirty (30%) percent
- d) Four (4) to Five (5) months late ..... Forty (40) percent
- e) Six (6) months and beyond ..... Fifty (50%) percent

The surcharge is based on the basic fee and is paid in addition to the basic fee.

Sec. 6. OTHER FEES AND/OR CHARGES. - A corresponding fee and/or charge for the following shall also be collected:

a) Change of Address	P 80.00
b) Transfer of Salesman's License	80.00
c) Certification/Certified Copy	80.00

Sec. 7. REGULATION OF FIRE EXTINGUISHER BUSINESS. - Apart from all other requirements imposed by law relative to the regulation of Fire Extinguisher business, the required license/permit fee and/or other charges for Fire Extinguisher on the following shall be collected:

a. Importer	P 5,000.00
b. Manufacturer	3,000.00
c. Wholesaler	1,500.00
d. Retailer	180.00
e. Service Firm	180.00
f. Salesman	100.00
g. Technician	100.00

Sec. 8. TERM OF LICENSE/RENEWAL; SURCHARGE. - The license certificate issued under the preceding section shall expire on the 31st day of December of each year. Renewal may be made within sixty (60) day from the expiry date upon due application and payment of the prescribed fee. Failure on the part of the licensee to renew within the said period shall cause the licensee to pay a surcharge of fifty (50%) of the renewal fee in addition to the renewal fee.

Sec. 9. REGULATION OF BONDED WAREHOUSES. - Persons engaged in the business of "warehouse" as defined under the Bonded Warehouse Act, as amended, are required to pay license/permit fee and/or charge on the basis of the following:

a. For the 1st 1,000 cu.m.	P100.00
b. Beyond 1,000 cu.m.	50

**SCHEDULE V**

Section 1. CREDITING OF PAYMENTS. - Payments made by installments (e.g. excess payments) for any of the fees covered by this Order shall be refunded to the payer, not directly but by way of crediting the installments payments to future financial obligations of the payer to the concerned DTI Office.

Sec. 2. RESPONSIBILITY CLAUSE. - In the event that any provision of these rules and regulations or the imposition of any such provision to any person or circumstance is declared invalid, all other provisions unaffected shall continue to remain in full force and effect.

Sec. 3. REPUBLISHING CLAUSE. - All Orders and rules and regulations of parts thereof inconsistent herewith are hereby repealed or amended accordingly.

Sec. 4. PUBLICATION AND EFFECTIVITY. - This Order shall be published in two (2) newspapers of general circulation in the Philippines and shall take effect three (3) days after said publication.

DONE this 14th day of July 1999, in the City of Makati, Philippines.

*Don Trinidad Pardo*  
Secretary

Recommended/Approved:  
*[Signature]*  
Asst. Secretary for Administration  
Gloria B. Eche



**REPUBLIC OF THE PHILIPPINES**  
**KAGAWARAN NG KALAKALAN AT INDUSTRIYA**  
 (Department of Trade and Industry)  
 Trade and Industry Building  
 361 (Buendia) Sen. Gil J. Puyat Avenue, Makati City 3117  
 P.O. Box 3328, MCC, Tel. No. 890-49-01/Fax: 890-48-72



**DEPARTMENT ADMINISTRATIVE ORDER NO. 7**  
 Series of 1999

Pursuant to Title X, Book IV of E.O. 292, otherwise known as the Administrative Code of 1987 and to more effectively implement Article 184 (e) of Republic Act No. 7394, otherwise known as the Consumer Act of the Philippines, Section 6 (e) of Executive Order No. 913 and Section 10 (9) of Republic Act No. 7581, respectively, the following rules are hereby promulgated for the information, guidance and compliance of all concerned.

**ARTICLE I - TITLE**

Section 1. Title - This Department Administrative Order is referred to as Schedule of Fines.

**ARTICLE II - COVERAGE**

Section 1. Scope & Coverage - This Order covers administrative fines relative to:

- a) R.A. 7394 (Consumer Act of the Philippines)
- b) R.A. 7581 (Price Act)
- c) E.O. 913, specifically on the following:
  1. R.A. No. 71 - Price Tag Law
  2. Act No. 3893, as amended - Business Name Law
  3. Act No. 2728 as amended by Acts 3715 & 3889 - Law on Brokerage
  4. R.A. 3852 - Bulk Sales Law
  5. Act No. 3853 - Bonded Warehouse Act

**ARTICLE III**

Section 1. Interpretation - In case of doubt, this Order shall be interpreted having in consideration the best interest of the consumer.

**ARTICLE IV - SCHEDULE OF FINES FOR RA 7394.**

Section 1. The administrative fine to be imposed for violation of the Consumer Act of the Philippines shall be in such amount as deemed reasonable by the Secretary which shall in no case be less than Five Hundred (P500.00) pesos nor more than Three Hundred Thousand (P300,000.00) pesos depending on the gravity of the offense and an additional fine of not more than One Thousand (P1,000.00) pesos for each day of continuing violation.

Section 2. The provision of the preceding section shall apply to the following provisions of the Consumer Act:

1. Price Tag
2. Misleading
3. Advertising and Sales Promotion
4. Labeling and Fair Packaging
5. Deceptive, Unfair and Unconscionable Sales Act and Practices
  - 5.1 Home Solicitation
  - 5.2 Referral Sales
  - 5.3 Chain Distribution
  - 5.4 Other Deceptive, Unfair and Unconscionable Sales Act & Practice
6. Consumer Product and Service Warranties
7. Liability for Products and Services
8. Regulation of Repair and Service Firms
9. Product Quality & Safety

Section 3. Without prejudice to all other considerations provided herein, the following schedule shall be the basis in the imposition of administrative fine for violation of the Consumer Act, particularly on the provisions on price tag and misreading.

**SCHEDULE I**

	RETAILER	WHOLESALE	MANUFACTURER
Base Fine	P500.00	P 1,000.00	P 2,000.00
Minimum	500-10,000.00	1,000-20,000.00	2,000-50,000.00
Medium	1,000-25,000.00	1,500-30,000.00	4,000-100,000.00
Maximum	2,000-50,000.00	4,000-100,000.00	8,000-150,000.00

Section 4. In addition to all other requirements provided in this Order, the schedule to be applied in cases of violation of the Consumer Act as provided in Sec. 2 except (1) and (2) are as follows:

**SCHEDULE II**

	RETAILER	WHOLESALE	MANUFACTURER
Base Fine	P 500.00	P 1,000.00	P 2,000.00
Minimum	P 500-10,000.00	P 1,000-20,000.00	P2,000-50,000.00
Medium	P1,000-25,000.00	P 2,000-30,000.00	P4,000-100,000.00
Maximum	P2,000-50,000.00	P 4,000-100,000.00	P8,000-150,000.00

Section 5. In the event the offender is engaged in two or more activities, the activity to which a higher penalty corresponds, shall be made the basis in imposing the appropriate fine.

**SCHEDULE III - FINES IMPOSABLE UNDER E.O. 913.**

Section 1. For violation of Trade and Industry Laws under E.O. 913 mentioned elsewhere, the imposable administrative fine shall be in such amount as deemed reasonable by the Secretary which shall in no case be less than Five Hundred (P500.00) pesos nor more than One Hundred Fifty Thousand (P150,000.00) pesos taking into consideration the surrounding circumstances.

Section 2. The following Schedule shall apply to violators mentioned in the preceding section, after consideration of the attendant circumstances mentioned in Article VII and VIII of this Order.

**SCHEDULE III**

	RETAILER	WHOLESALE	MANUFACTURER
Base Fine	P500.00	P 1,000.00	P 2,000.00
Minimum	500-10,000.00	1,000-25,000.00	2,000-50,000.00
Medium	1,000-25,000.00	2,000-50,000.00	4,000-100,000.00
Maximum	2,000-50,000.00	4,000-100,000.00	8,000-150,000.00

**ARTICLE VI - FINES IMPOSABLE UNDER THE PRICE ACT**

Section 1. Pursuant to Section 10 (9) of R.A. 7581, an administrative fine of not less than One Thousand (P1,000.00) pesos nor more than One Million (P1,000,000.00) pesos shall be imposed for violation of the aforementioned law subject to the circumstances provided herein and after due notice and hearing.

Section 2. - In determining the imposable fine for violation of the Price Act, the following schedule shall be taken into consideration:

**SCHEDULE IV**

	RETAILER	WHOLESALE	MANUFACTURER
Base Fine	P 1,000.00	P 2,000.00	P 5,000.00
Minimum	P 1,000-100,000.00	P 2,000-150,000.00	P 5,000-500,000.00
Medium	P 500,000-1,000,000.00	P 1,000,000-2,000,000.00	P 2,000,000-5,000,000.00
Maximum	P 1,000,000-1,000,000.00	P 2,000,000-2,000,000.00	P5,000,000-10,000,000.00

Section 3. Whenever the offender is engaged in two or more activities, the activity to which a higher fine is attached shall be imposed, subject to all other requirements of the law.

**ARTICLE VII - CIRCUMSTANCES TO BE CONSIDERED IN THE IMPOSITION OF FINES**

Section 1. In addition to all other considerations in the imposition of fine mentioned in this Order, circumstances such as mitigating, aggravating and alternative shall be taken into account to arrive at an appropriate fine for violation of the law covered by this Order.

Section 2. Mitigating circumstances. The following are considered mitigating circumstances:

- 1. Voluntary admission of guilt

- 2. Willingness to enter into compromise agreement.
- 3. Willingness to furnish evidence and/or testify against supplier/ manufacturer.
- 4. Willingness to exercise undertaking to cease and desist from violation any trade and industry law in the future. (Good faith)
- 5. Compliance with preventive measure of closure as directed.
- 7. Any analogous circumstances

Section 3. Aggravating Circumstances. The following circumstances are considered aggravating:

1. 2 or more offenses of any TIL
2. Multiple violation of Trade & Industry Law at one instance
3. Violation of Trade & Industry law while undergoing proceedings for violation of another trade and industry law.
4. Violation by means of deceit and/or misrepresentation, falsification of Official Receipts and/or documents as a means to hide violation.
5. Non-response and/or refusal to issue receipts when required by law.
6. Unjustified absence at mediation (bad faith)
7. Non-compliance and/or refusal to comply with the agreement entered into.
8. Employment of force, violence, intimidation by respondent against complainant in securing concession.
10. Taking advantage of emergency situation and the like.
11. Bribery or attempt to bribe public officers to stifle prosecution, without prejudice to public officer's prosecution.
12. Non-compliance with any lawful order, decision, award by mediator/arbitration/adjudication officer.
13. Concealment or attempt to conceal any piece of evidence.
14. Engagement in trade by person whose license/ permit or authority had been previously canceled or revoked for violation of Trade & Industry Law, before the lapse of period for voluntary closure.
15. When offender is a public officer.
16. Offender not being a public officer but connived with public officer without prejudice to the latter's prosecution.
17. Pressuring public officer from validly enforcing lawful order.
18. Failure/Refusal without valid reasons to comply or execute any undertaking (e.g. to desist from violating Trade & Industry Law)
19. Commitment of engagement in trade/business prior to issuance of license/ permit or authority to do business.
20. Failure/ non compliance with preventive measure of closure and desist order.
21. Assault upon the person, property or relatives within the 4<sup>th</sup> civil degree of the enforcing officer by reason of their function.
22. Respondent by means of false or fraudulent misrepresentation orally or in writing, by other fraudulent means, shall procure from the Bureau the registration, accreditation, license, authority and/or permit to conduct its business.
23. Any analogous circumstances.

Section 4. Alternative Circumstances. The following are considered alternative circumstance, which may either be mitigating or aggravating:

1. First Offense - if it involves small quantity - then its mitigating, otherwise its aggravating.
2. Quantity/Volumes of goods involved, if small quantity - then its mitigating, otherwise its aggravating.
3. Nature of goods involved - if considered basic/prime goods - its aggravating, if luxury - mitigating
4. Degree of education of violator.
5. Capitalization - For the purpose of determining capitalization of the respondent, reference to its financial statements shall be made. If the financial statements are not available or if it is necessary to arrive at a reasonable estimate, capitalization shall be determined by computing the total value of violative goods.

**ARTICLE VIII - OTHER CIRCUMSTANCES**

Section 1. In the payment of fines, it shall be made in a lump sum and not later than 30 days from the date the undertaking is admitted. However, in case the respondent is financially incapable to pay the designated fine in lump sum, the same shall be paid in installment for not exceeding 12 months. An undertaking to pay in installment specifying the due dates of each installment shall be submitted by the respondent.

Section 2. In addition to the administrative fine imposed, other penalties such as but not limited to closure, confiscation, and suspension if any circumstances warrant. However, respondent may voluntarily pay a fine in excess of the maximum provided for under Article VI of R.A. 7394, Section 4 (2) of E.O. 913 and Section 10 (9) of R.A. No. 7581, as the case may be, in lieu of the imposition of other penalties attached.

Section 3. For every day of continuing violation, amount of P1,000 shall be paid over the above the administrative fine imposed.

**ARTICLE IX - Computation of Imposable Fines and Rules Whether Fine is to be Imposed in the Minimum, Medium or Maximum**

Section 1. Base Fines shall be imposed based on the schedule provided under the rule.

Section 2. In order to determine the additional fine and to determine whether the fine to be imposed is in the minimum, medium or maximum, the following rules shall be applied:

1. When there is neither mitigating nor aggravating circumstance present, Maximum fine shall be imposed.
2. When there is only mitigating circumstances present, Minimum fine shall be imposed.
3. When there is only aggravating circumstances present, Maximum fine shall be imposed.
4. When both are present, the rule on offsetting shall be first applied. Whichever remains shall be considered in imposing the fine (i.e. to observe either 1, 2, 3).

(Note: For the First offense involving serious crimes, with market value with capitalization of not more than Fifty Thousand (P50,000.00) pesos only the base fine of Five Hundred (P500.00) pesos shall be imposed.

**ARTICLE X - Transitory and Final Provision**

Section 1. Repealing clause: All rules and regulations or parts thereof which are inconsistent with this Department Administrative Order are hereby repealed or amended accordingly.

Section 2. Effectivity: This Order shall take effect after ten (10) days following the completion of their publication either in Official Gazette or in a newspaper of general circulation.

Makati City, Philippines, July 14, 1999

*[Signature]*  
 Secretary

Recommended by:  
*[Signature]*  
 Asst. Secretary for Legal Services  
 Carolina B. B. B.