



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
Intramuros, Manila



DEPARTMENT OF LABOR AND EMPLOYMENT
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**IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT NO. 10706
OTHERWISE KNOWN AS THE "SEAFARERS PROTECTION ACT"**

Pursuant to Section 6 of Republic Act No. 10706, entitled "An Act Protecting Seafarers against Ambulance Chasing and Imposition of Excessive Fees, and Providing Penalties Therefor", otherwise known as the "Seafarers Protection Act", the following Implementing Rules and Regulations (IRR) are hereby issued:

RULE I. GENERAL PROVISIONS

Section 1. Declaration of Policy. – It shall be the policy of the State to promote and protect every Filipino seafarer desiring to work overseas by securing the best possible terms and conditions of employment. As some unscrupulous individuals have taken advantage of the plight of our seafarers who met an accident, illness or death in the course of their service by exploiting the compensation system, our seafarers have fallen prey to an unfair scheme where ambulance chasers charge exorbitant fees, with promise of huge monetary award. Towards this end, such practice shall be declared unlawful.

Section 2. Coverage. – These Rules shall apply to all Filipino seafarers, and their heirs; to any person who engages in ambulance chasing, personally or through an agent; and to those who impose excessive fees prohibited under Republic Act No. 10706.

Section 3. Definition of Terms. – The following terms as used in this Rules shall mean:

- a) **"Accident"** shall mean an unplanned or unexpected occurrence that may result in either personal injury, property damage or interference or any combination thereof which arises out of and in the course of employment.
- b) **"Ambulance Chaser"** refers to any person, natural or juridical, who commits the act of ambulance chasing.
- c) **"Compensation"** refers to the total monetary award or benefits granted by the National Labor Relations Commission (NLRC) or any labor arbiter, the National Conciliation and Mediation Board (NCMB), the Philippine Overseas Employment Administration (POEA), the Department of Labor and Employment (DOLE) or its regional offices, any voluntary arbitrators or other quasi-judicial bodies handling labor disputes to the seafarer or his/her heirs, inclusive of attorney's fees and other litigation expenses and settlement award given through out-of-the-court agreement between the parties.

- d) **"Fees"** refers to the total amount of compensation of the person who appears for or represents the seafarers, or his/her heirs for services rendered.
- e) **"Heirs"** refers to any heir of the seafarer as provided in the Civil Code of the Philippines, as amended.
- f) **"Seafarer"** refers to any person who is employed or engaged in any capacity on board a seagoing ship navigating the foreign seas other than a government ship used for military or non-commercial purposes. The definition shall include fishermen, cruise ship personnel and those serving on foreign maritime mobile offshore and drilling units.
- g) **"Soliciting"** refers to acts of instigating, inducing, encouraging, advising or requesting a seafarer or his/her heirs to pursue any claim against the employer for purposes of recovery of monetary claim or benefit.

RULE II. OFFENSE OF AMBULANCE CHASING

Section 1. Ambulance Chasing. – The offense of ambulance chasing shall be committed when the following elements concur:

- a) That a person or his agent, solicits from seafarer or his heirs, the pursuit of any claim against the employer of the seafarer;
- b) That such claim is for the purpose of recovery of monetary award or benefits arising from accident, illness or death, including legal interest; and
- c) That the pursuit of the claim is in exchange of an amount or fee which shall be retained or deducted from the monetary award or benefit granted to or awarded to the seafarers or their heirs.

Section 2. Collusion in the Commission of Ambulance Chasing. – Collusion shall exist when the following elements concur:

- a) That two or more persons come to an agreement, either oral or written;
- b) That the agreement concerns the commission of ambulance chasing;
- c) That they decide to commit it; and
- d) That positive, overt acts are taken by the persons to carry out the agreement.

RULE III. IMPOSITION OF EXCESSIVE FEES

Section 1. Imposition of Excessive Fees. – Fees are considered excessive when the following elements concur:

- a) That there is a contract or arrangement between a seafarer or his/her heirs, and a person who appears for or represents them in any case for recovery of monetary claim or benefit, including legal interest;

- b) That such claim is for the purpose of recovery of monetary award or benefits arising from accident, illness or death, including legal interest;
- c) That the claim is filed before the NLRC or any labor arbiter, NCMB, POEA, DOLE or its regional offices or other quasi-judicial bodies handling labor disputes; and
- d) That the contract or arrangement stipulates that the person who appears for or represents seafarer or his/her heirs shall be entitled to fees which exceeds ten percent of the compensation or benefit awarded to the seafarer or his/her heirs.

Section 2. Effect. – The stipulation in a contract or arrangement in violation of the prohibition on the imposition of excessive fees shall be subject to the provisions of the Civil Code of the Philippines and other related laws and regulations.

Section 3. Compliance. – To ensure and monitor compliance, the NLRC or any labor arbiter, NCMB, POEA, DOLE or its regional offices or other quasi-judicial bodies handling labor disputes shall clearly indicate in the decisions, orders, judgments or awards that the total compensation for the person who appears for or represents seafarer or his/her heirs shall not exceed 10% of the compensation or benefit awarded to the seafarer or his/her heirs.

RULE IV. FILING OF ACTIONS

Section 1. Criminal Action. – Criminal action arising out of ambulance chasing shall be filed and decided pursuant to the Revised Rules of Criminal Procedure, Rules of Court.

Section 2. Civil Action. – Civil action arising out of ambulance chasing or imposition of excessive fees shall be filed and decided pursuant to the Rules of Civil Procedure, Rules of Court.

Section 3. Administrative Action. – Administrative action against professionals, government officials and employees, or any other persons found violating the provisions of Republic Act No. 10706 or the Seafarers Protection Act and its Implementing Rules and Regulations shall be initiated and resolved in accordance with the Revised Rules on Administrative Cases in the Civil Service and other related laws, rules and regulations.

RULE V. PENALTIES

Section 1. Criminal Liability. – Any person who commits the offense of ambulance chasing shall suffer a fine of not less than fifty thousand pesos (P50,000.00) but not more than one hundred thousand pesos (P100,000.00), or by imprisonment of one year (1) but not more than two (2) years, or both fine and imprisonment.

The same penalties shall be applied to any person who colludes in the commission of the offense of ambulance chasing.

Section 2. Civil Liability. – Any person who commits the offense of ambulance chasing shall be liable for damages and other relief after the filing of a separate and distinct civil action which shall proceed independently of any criminal prosecution.

Section 3. Administrative Liability. – Professionals, government officials and employees, or any other persons found violating the provisions of Republic Act No. 10706 or the Seafarers Protection Act and its Implementing Rules and Regulations shall be penalized in accordance with the Revised Rules on Administrative Cases in the Civil Service and other related laws, rules and regulations.

RULE VI. FINAL PROVISIONS

Section 1. Oversight Function of DOLE. – The Department of Labor and Employment (DOLE) shall establish an oversight committee to monitor, verify and review the implementation and industry compliance with this IRR. For this purpose, it shall regularly report to the Maritime Industry Tripartite Council (MITC).

Section 2. Establishment of Action Desk. – There shall be established action desks at the NLRC or its regional arbitration branches, NCMB, POEA, DOLE or its regional offices or other quasi-judicial bodies handling labor disputes to receive report of incidence of ambulance chasing and excessive fees as defined in this IRR.

Section 3. Separability Clause. – If any provision of these IRR is declared to be unconstitutional or invalid by a competent court, the remaining parts shall not be affected thereby.

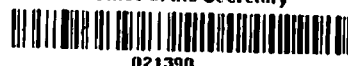
Section 4. Repealing Clause. – All orders, policies and rules and regulations contrary to or inconsistent with the provisions of this IRR are hereby repealed or modified accordingly.

Section 5. Effectivity. – This IRR shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Manila, Philippines, 19 APRIL 2010.


ROSALINDA DIMAPILIS-BALDOZ
Secretary

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