



REPUBLIC ACT NO.10706 AN ACT PROTECTING SEAFARERS AGAINST AMBULANCE CHASING AND EXCESSIVE FEES AND PROVIDING PENALTIES THEREFOR OTHERWISE KNOWN AS SEAFARERS PROTECTION ACT.

Implementing Rules and Regulations (IRR) Simplified Version

By: Atty. Imelda L. Barcelona

1. Objective of the Legislation : To protect the Filipino seafarers and /or their heirs against exploitation and victimization by individuals , personalities and entities who instigates the prosecution of claims for disability compensation or death benefits against shipowners in exchange for fees exceeding 10% of the judgment award
2. Penalties : Ambulance chasing is unlawful. It is punishable with a fine not less than PHP 50,000 – PHP 100,000 OR imprisonment from 1 year to 2 years OR both fine and imprisonment.

The offense of ambulance chasing carries with it a civil liability which may be filed independently from the criminal action.

Professionals and government personnel who commit the offense of ambulance chasing shall in addition to the criminal and civil liability shall also incur administrative liability

3. Coverage : Any person, by himself or through an agent who commits acts of ambulance chasing shall be held liable .
4. Ambulance chasing defined : For an act to be considered ambulance chasing three (3) elements must be present ;
 - a. By doing acts of solicitation. This means a person or his agent induces a seafarer or the seafarer's heir to commence a claim / action against the employer/shipowner ;
 - b. The claim is for disability compensation or death benefits ;
 - c. In exchange for the professional service a fee / amount shall be retained or deducted from the judgment award.

5. Prohibited Clauses: Charging of Excessive Fees; 4 elements must be present;
 - a. Retainer contract between the seafarer and/ or his heirs and the person , entity who will represent the interest of the former in a claim ;
 - b. The claim is for disability compensation or death benefits ;
 - c. The claim is filed before the NLRC , NCMB /Voluntary Arbitrators ;
 - d. A stipulation in the Retainer contract that the person, entity who will represent the seafarer and/ or his heirs shall be entitled to a fee in excess of 10 % of the judgment award.

Note : Violators will incur civil liability only . To ensure compliance, NLRC, NCMB, VA and DOLE regional offices are required to write in their orders, resolutions, decisions / judgment awards and Attorneys's fees shall not exceed 10% of the award.

6. Effectivity : 21 May 2016