Art. 159. Consumer Complaints. – The concerned department may commence an investigation upon petition or upon letter-complaint from any consumer: Provided, That, upon a finding by the department of a prima facie violation of any provisions of this Act or any rule of regulation promulgated under the authority, it may motu proprio or upon verified complaint commence formal administrative action against any person who appears responsible therefor. The department shall establish procedures for systematically logging in, investigating and responding to consumer complaints into the development of consumer policies, rules and regulations, assuring as far as practicable simple and easy access on the part of the consumer to seek redress for his grievances.

Art. 160. Consumer Arbitration Officers. – The concerned Department Secretaries shall appoint as many qualified consumer arbitration officers as may be necessary for the effective and efficient protection of consumer rights: Provided, however, That there shall be not more than ten (10) consumer arbitration officers per province, including the National Capital Region.

Art. 161. Consumer Arbitration Officers; Qualifications. – The consumer arbitration officers must be a college graduate with at least three (3) years experience in the field of consumer protection and shall be of good moral character.

Art. 162. Arbitration Officers; Jurisdiction. – The consumer arbitration officers shall have original and exclusive jurisdiction to mediate, conciliate, hear and adjudicate all consumer complaints, Provided, however, That this does not preclude the parties from pursuing the proper judicial action.

Art. 163. Investigation Procedure.

a) The consumer arbitration officer shall conduct hearings on any complaint received by him or referred by the Council.

b) Parties to the case shall be entitled to notice of the hearing, and shall be informed of the date, time and place of the same. A copy of the complaint shall be attached to the notice.

c) The department shall afford all interested parties the opportunity to submit a statement of facts, arguments, offers of settlement or proposals of adjustments.

d) The consumer arbitration officer shall first and foremost ensure that the contending parties come to a settlement of the case.

e) The consumer arbitration officer may summon witnesses, administer oaths and affirmation, issue subpoena and subpoena duces tecum, rule upon offers of proof and receive relevant evidence, take or cause deposition to be taken whenever the ends of justice would be served thereby, regulate the course of the hearing, rule on any procedural request or similar matter and decide the complaint.
In hearing the complaint, the mediation officer shall use every and all reasonable means to ascertain the facts in each complaint speedily and objectively without regard to strict rules of evidence prevailing in suits before courts. The complaint shall be decided within fifteen (15) days from the time the investigation was terminated.

**Art. 164. Sanctions.** – After investigation, any of the following administrative penalties may be imposed even if not prayed for in the complaint:

a) the issuance of a cease and desist order, *Provided, however,* That such order shall specify the acts that respondent shall cease and desist from and shall require him to submit a report of compliance therewith within a reasonable time;

b) the acceptance of a voluntary assurance of compliance or discontinuance from the respondent which may include any or all of the following terms and conditions:
   1) an assurance to comply with the provisions of this Act and its implementing rules and regulation;
   2) an assurance to refrain from engaging in unlawful acts and practices or unfair or unethical trade practices subject of the formal investigation;
   3) an assurance to comply with the terms and conditions specified in the consumer transaction subject of the complaint;
   4) an assurance to recall, replace, repair or refund the money value of defective products distributed in commerce;
   5) an assurance to reimburse the complaint out of any money or property in connection with the complaint, if any and to file a bond to guarantee compliance therewith.

c) restitution or rescission of the contract without damages;

d) condemnation and seizure of the consumer product found to be hazardous to health and safety unless the respondent files a bond to answer for any damage or injury that may arise from the continue use of the product;

e) the imposition of administrative fines in such amount as deemed reasonable by the Secretary, which shall in no case be less that Five Hundred Pesos (P500.00) nor more than Three Hundred Thousand Pesos (P300,000.00) depending on the gravity of offense, and an additional fine of not more than One Thousand Pesos (P1,000.00) or each day of continuing violation.

**Art. 165. Appeal from Orders.** – Any order, not interlocutory, of the consumer arbitration officer, becomes final and executory unless appealed to the Department Secretary concerned within fifteen (15) days from receipt of such order. An appeal may be entertained only on any of the following grounds:

a) grave abuse of discretion;

b) the order is in excess of the jurisdiction or authority of the consumer arbitration officer;

c) the order is not supported by the evidence or there is serious error in the findings of facts.

**Art. 166. Decision on Appeal.** – The Secretary shall decide the appeal within thirty (30) days from receipts thereof. The decision becomes final after fifteen (15) days from receipt thereof unless a petition for certiorari is filed with the proper court.