

# How to stop a GPS kill-switch on your financed vehicle

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GPS kill-switch devices — branded MCCA by Global Mobility Service Philippines — are remote engine-disable IoT modules installed by a lender as a condition of vehicle financing. The device itself is not unlawful; misuse of it is. Under RA 11765 and BSP Circular 1048 (2019), a lender may not activate the kill-switch while the vehicle is in motion, may not activate it without prior written notice, may not activate it during a contractual grace period, and may not use it to coerce settlement of disputed amounts. This guide walks through how to document a wrongful activation, demand restoration, and file regulatory and civil complaints.

## 1. Document the activation immediately

Take photos and a video of the disabled vehicle in place. If the vehicle stalled while moving, photograph the location, any other vehicles affected, and any visible warning lights on the dashboard. Note the exact time and GPS coordinates (your phone records both in photo metadata).

Screenshot the lender's app, any SMS or email received in the hours before activation, and any prior notice or absence thereof. If the vehicle is your livelihood — for example, a tricycle or grab-rental fleet vehicle — record the lost-income window opened by the activation: the day, your usual fare income, the route you were operating.

### TIP

iPhone Photos and Google Photos preserve original location metadata. Do not edit, crop, or re-save the originals. Export an unedited copy by emailing the file to yourself as an attachment.

## 2. Demand restoration in writing

Send a written demand to the lender's customer service email and to any account manager. Reference the loan account number, the vehicle make and plate, the date and time of activation, and the absence of prior notice. Demand: immediate restoration of vehicle function, a written explanation citing the contract clause and the BSP Circular 1048 safety protocol that authorised the activation, and confirmation that no further activation will occur without seven days' prior written notice.

Give the lender two business days to restore. After two business days, the failure-to-restore is itself an additional violation that can be filed.

[circular] BSP Circular 1048 (2019) — GPS and Remote Immobilisation — <https://www.bsp.gov.ph/Regulations/Issuances/2019/c1048.pdf>

[law] RA 11765 — Financial Products and Services Consumer Protection Act — <https://www.officialgazette.gov.ph/2022/05/06/re-public-act-no-11765/>

### **3. Verify the kill-switch was disclosed in the contract**

Pull out your loan agreement and find the clause authorising the device. RA 11765 and BSP Circular 1048 require disclosure in the contract before signing. Non-disclosure is grounds for voiding the relevant clause, regardless of the lender's contractual remedies.

Look for: a clear identification of the device (brand, function), a description of the conditions under which it may be activated, the prior-notice obligation, the safety protocol prohibiting in-motion activation, and the data-privacy disclosure for the location data the device collects. Missing any of these is itself a violation that can be raised in a parallel NPC complaint.

[law] RA 10173 — Data Privacy Act — <https://www.privacy.gov.ph/data-privacy-act/>

### **4. File with SEC for SEC-registered lenders**

Global Mobility Service Philippines is SEC-registered as a lending and financing company. Wrongful kill-switch activation by a SEC-registered lender is a fair-treatment violation under RA 11765 and may also violate SEC MC 18 (2019) if the activation was used to coerce payment of a disputed amount.

Email [cgfd@sec.gov.ph](mailto:cgfd@sec.gov.ph) or file via FinCare. Subject line: "Complaint under RA 11765 and SEC MC 18 — [Lender] — [Date]." Attach: the contract, the activation timestamp evidence, the demand letter, and the lender's response. Cite the specific paragraph of MC 18 (coercive use of the kill-switch) and the specific provision of RA 11765 (right to fair treatment, right to disclosure, right to safety) violated.

[memo] SEC MC No. 18, s. 2019 — <https://www.sec.gov.ph/wp-content/uploads/2019/09/2019MCNo.18.pdf>

[agency] SEC FinCare portal — <https://www.sec.gov.ph/fincare/>

### **5. File a parallel NPC complaint on location-data abuse**

The kill-switch device collects continuous GPS data. Under RA 10173 and NPC Circular 16-01, that data must be processed only for the purposes disclosed at the time of consent, retained only as long as necessary, and shared only with the consents collected. Use of location data to enforce a kill-switch may be inside or outside the disclosed purpose; non-routine sharing with collection vendors usually is not.

File via [privacy.gov.ph](https://privacy.gov.ph). The NPC has an established record of acting against financial-app data abuse — Cashalo (NPC SS-21-005, 2022) and the JuanHand cluster (March 2021 takedown) are public examples. Cross-reference the SEC filing in the NPC complaint and vice versa.

[agency] NPC complaint portal — <https://privacy.gov.ph/file-a-complaint/>

## 6. Civil and criminal remedies

Damages caused by an unlawful kill-switch activation are recoverable under Articles 19, 20, and 21 of the Civil Code. Heads of damage include: lost income for the disabled-vehicle period; transportation costs to handle the issue; medical bills if anxiety or hypertension treatment was required; moral damages for embarrassment and humiliation if the vehicle was disabled in public; and, where physical risk was created (an in-motion activation), exemplary damages.

In-motion activation may also constitute reckless imprudence under Article 365 of the Revised Penal Code. File at the City Prosecutor's office where the activation occurred. The criminal case runs in parallel with the civil and administrative complaints.

[law] Civil Code Arts. 19–21 — <https://www.officialgazette.gov.ph/1949/06/18/republic-act-no-386/>

[law] Revised Penal Code Art. 365 — Reckless Imprudence — <https://www.officialgazette.gov.ph/1930/12/08/act-no-3815-december-8-1930/>

## ACTION CHECKLIST

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- Photograph and video the disabled vehicle with location metadata.
- Save SMS, email, and app notifications around the activation time.
- Send a written demand for restoration within two business days.
- Pull the contract and confirm the disclosure clause.
- File with SEC ([cgfd@sec.gov.ph](mailto:cgfd@sec.gov.ph)) for SEC-registered lenders.
- File a parallel NPC complaint on location-data misuse.
- Compute lost-income and moral damages for small claims or civil suit.
- If activated while moving, file reckless imprudence with the City Prosecutor.

## FREQUENTLY ASKED QUESTIONS

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### Is the GPS device itself legal?

Yes, if disclosed in writing in the loan agreement before signing, in line with RA 11765 and BSP Circular 1048. The device's installation is not the violation; specific misuses are.

### Can the lender activate the kill-switch one day after a missed payment?

Under RA 11765, a proportionate-collection requirement applies. BSP Circular 1160 sets reasonable cure periods before enforcement action. Same-day or one-day-late activation is presumptively disproportionate and is a complainable practice.

### What if my contract waives my right to safety?

Contractual waiver of safety rights is unenforceable. RA 11765 expressly identifies the right to safety as non-waivable. A contract clause authorising in-motion activation is void as against public policy.

## REFERENCES

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[law] RA 11765 — Financial Products and Services Consumer Protection Act — <https://www.officialgazette.gov.ph/2022/05/06/republic-act-no-11765/>

[circular] BSP Circular 1048 (2019) — <https://www.bsp.gov.ph/Regulations/Issuances/2019/c1048.pdf>

[memo] SEC MC No. 18, s. 2019 — <https://www.sec.gov.ph/wp-content/uploads/2019/09/2019MCNo.18.pdf>

[law] RA 10173 — Data Privacy Act — <https://www.privacy.gov.ph/data-privacy-act/>

[law] Revised Penal Code Art. 365 — <https://www.officialgazette.gov.ph/1930/12/08/act-no-3815-december-8-1930/>

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