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BREAKING BARRIERS FOR SMALL BUSINESSES

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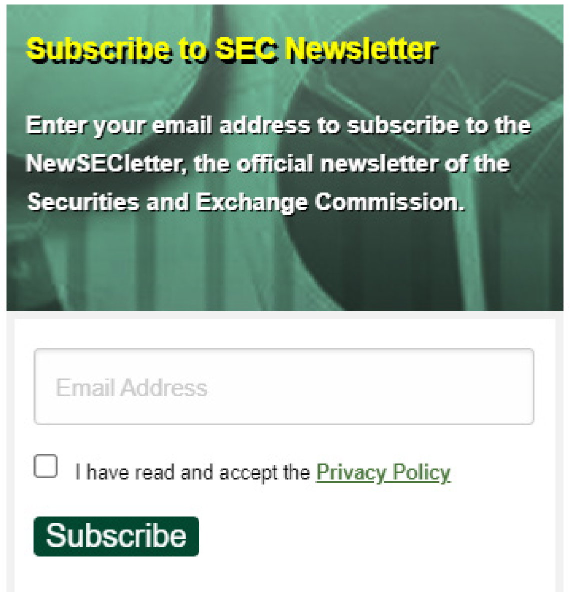

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MESSAGE FROM THE CHAIRPERSON

The third quarter of this year has been a productive and transformative period for the SEC. As my term as newly appointed chairperson kicked into full swing, the Commission has been hard at work pushing forward reforms aimed at improving the way we do business in the country.

A key focus this quarter has been our support for micro, small, and medium enterprises (MSMEs), which we have long recognized as the backbone of our economy. MSMEs account for more than 99% of all registered businesses in the Philippines and provide millions of jobs nationwide. A small nudge in the right direction for this sector can translate to substantial impacts for the country, helping drive more inclusive economic growth.

As such, we've adopted a simple proposition: regulation should not be a barrier—it should be a platform. A platform that enables fundraising, rewards good governance, and protects investors—whether analog or digital, local or foreign, big or small.

We have already taken concrete steps to put this principle into action. From initiatives that improve MSME access to funding, to discounts that bring down barriers of entry to the capital market, our efforts are geared toward building a more inclusive and dynamic business sector. You can learn more about these initiatives on page 3.

Beyond instituting new policies, we continue to strengthen our engagement with our stakeholders. One major milestone this quarter was the opening of the Public Assistance and Complaints Desk (PACD) at the ground floor of The SEC Headquarters in Makati. City The PACD is designed to make our services more accessible and responsive, allowing the public to directly file complaints with the Commission.

This quarter, we also intensified our campaign against scammers and abusive lenders who take advantage of our fellow Filipinos who merely seek investment opportunities. Learn more about our enforcement efforts and how we are protecting investors on page 5.

Meanwhile, our Extension Offices across the country have been working tirelessly to bring the Commission's services closer to the public. From conducting investor education programs to facilitating business registration and compliance, they continue to serve as vital partners in our mission to promote fair, transparent, and inclusive markets. Read more about their activities on page 9.

As we move forward, we remain steadfast in our commitment to building a regulatory environment that fosters trust, empowers enterprises, and safeguards the investing public. Together, we are shaping a business landscape where responsible growth and innovation can thrive—for the benefit of every Filipino.

FRANCIS LIM
SEC Chairperson

NEWSEC

The Securities and Exchange Commission (SEC) supported the government's anti-corruption efforts, opened a public assistance complaints desk in its Makati headquarters, and approved the first public offering under its rental pool arrangement rules in the third quarter of 2025. Read more about the latest updates and milestones of the SEC by visiting **bit.ly/SECNews2025** or scanning the QR code.

SEC supports AMLC probe on possible money laundering linked to flood control fiasco

The SEC reaffirmed its commitment to strengthening the fight against corruption, following the successful application of the Anti-Money Laundering Council (AMLC) for a freeze order on the assets of individuals and companies allegedly involved in anomalous flood control projects.

Following the application filed by the AMLC–of which the SEC is part–the Court of Appeals on September 15 issued a freeze order on 135 bank accounts and 27 insurance policies linked to persons and entities, which have been the subject of an investigation by the Senate Blue Ribbon Committee for their alleged involvement in anomalous flood control projects.

SEC supports lifting of bank secrecy to combat corruption

The SEC backed proposals to amend existing bank secrecy laws, as part of the government's continuing fight against corruption.

Several bills are currently pending before Congress for the lifting of the bank secrecy law, which has been criticized to be used as a shield for owners of bank accounts in cases of violations of the SRC and the RCC, among other laws implemented by the Commission, limiting the enforcement capacities of the SEC.

The lifting of the bank secrecy law can potentially enhance the Commission's investigative power, as it could easily gather evidence from bank records and trace funds flowing into or out of entities or individuals suspected of securities fraud, misrepresentation, or unregistered securities offering.

SEC, DOF sign beneficial ownership data sharing deal

The SEC signed a data sharing agreement (DSA) with the DOF to enhance access to beneficial ownership information in support of the Philippine Extractive Industries Transparency Initiative (PH-EITI). The agreement strengthens cooperation between the two agencies in promoting transparency and accountability in the extractive sector. PH-EITI serves as the Philippines' implementing body of the global Extractive Industries Transparency Initiative, which upholds international standards for responsible and transparent management of natural resources.

Under the DSA, the SEC will provide PH-EITI with secure and lawful access to corporate and beneficial ownership data of registered companies, in line with efforts to curb corruption, illicit financial flows, and tax evasion in the extractive industry.

SEC opens Public Assistance and Complaints Desk

The SEC opened on July 1 the Public Assistance and Complaints Desk (PACD), Located on the ground floor of the SEC Headquarters, the physical helpdesk will handle on-site client inquiries, feedback and complaints, facilitating public consultation and providing prompt responses to stakeholders' concerns, in line with standards set by the Anti-Red Tape Authority.

CMEPA to generate more savings for investors, boost liquidity of capital market

The SEC expects greater savings for investors with the enactment of CMEPA, which reduced the stock transaction tax to 0.1 percent from 0.6 percent, enabling more savings that investors can reinvest back to the capital market. The old tax rate was previously the highest in the ASEAN region.

The Commission also stressed that the CMEPA does not introduce new taxes with regard to the 20% tax on interest income on long-term deposits, but instead standardizes the tax rate across investment instruments. The harmonization of the capital gains tax to a flat 15 percent on shares of foreign corporations aligns the Philippine tax regime with global standards and is seen to help attract more foreign investments.

It also reduces the documentary stamp tax on the original issuance of shares of stock to 0.75 percent from 1 percent of par value, incentivizing companies seeking capital through initial public offerings or follow-on equity listings.

The SEC further sees more Filipinos beefing up their retirement funds under the Personal Equity and Retirement Account (PERA), as CMEPA grants a 50% additional tax deduction to private employers who contribute an amount equal to or greater than their employees' contribution to the retirement program.

SEC Philippines backs broader regional corporate governance agenda at 2025 ASEAN Corporate Governance Awards

SEC Philippines Chairperson Francis Lim underscored the significance of the regional initiative and highlighted the growing maturity of corporate governance in the ASEAN despite the adoption of more rigorous standards, during the 2025 ASEAN Corporate Governance Conference and Awards (CGCA) held on July 24 in Kuala Lumpur, Malaysia.

The ASEAN CGCA recognized top-performing PLCs based on the results of the 2024 ASEAN Corporate Governance Scorecard (ACGS) assessment.

"Despite heightened standards, ASEAN companies have not only kept pace—they have exceeded expectations…When we introduced the ASEAN Asset Class recognition in 2019, only 135 PLCs qualified. This year, that number has risen to 250. This remarkable increase reflects growing awareness of the value of strong governance and transparency," Mr. Lim said in his welcome remarks.

SEC okays initial public offering by Hann Holdings

The SEC has considered favorably the initial public offering of Hann Holdings, Inc., covering up to 500,001,000 primary firm offers shares priced at up to P23.60 each. The offer includes an overallotment option of up to 50,001,000 shares to be offered at the same price by the company's selling shareholder, Hann Group Holdings W.L.L.

The company is expected to net up to P11.43 billion from the primary offer, which will be used for capital expenditures to fund development and expansion plans, and general corporate purposes of its wholly-owned subsidiary, Hann Philippines, Inc.

SEC clears Damosa Land's rental pool program, first under SEC RENT

The SEC considered favorably the rental pool program of Damosa Land, Inc. covering 100 certificates of participation in the condotel project of TRYP by Wyndham Samal, making it the first securities issuer to successfully register under the streamlined guidelines on Securing and Expanding Capital in Real Estate Non-Traditional Securities (SEC RENT).

Valid for 20 years starting from the date of the operation, the certificates cover 94 standard class condotel units with an offer price of P50,000; four deluxe class units worth P75,000 each; and two suite class units with an offer price of P100,000 each. The rental pool arrangement is expected to gross up to P5.2 million.

SEC, PPSC ramp up collaboration to fight investment scams

The SEC and the Philippine Public Safety College (PPSC) joined forces to combat fraudulent investment schemes by promoting financial literacy and investor education among their stakeholders through the Investor Protection and Scam Awareness Hybrid Webinar conducted on August 20.

SEC Enforcement and Investor Protection Department Director Filbert Catalino Flores III led the discussion on common investment schemes and emphasized the Commission's proactive efforts in forging strategic partnerships nationwide, including at the barangay level, to broaden financial literacy and empower more Filipinos to protect themselves against scams.

SEC spotlights role of data in greener growth at CRIF Forum 2025

SEC Commissioner Javey Paul D. Francisco emphasized the critical role of credible data and transparency in driving sustainable finance and advancing environmental, social, and governance (ESG) outcomes during the CRIF Forum 2025, held on July 17 at Hilton Manila.

In his keynote address, Mr. Francisco challenged businesses and financial institutions to move beyond surface-level sustainability efforts and embed data-driven strategies into their core operations.

He emphasized that verifiable ESG data now serves as a prerequisite for credibility in the market. From energy use and emissions tracking to labor practices and governance structures, reliable sustainability disclosures are increasingly seen by investors and lenders as essential indicators of risk management, resilience, and business ethics.

BREAKING BARRIERS FOR SMALL BUSINESSES

Micro, small, and medium enterprises (MSME) are deemed as the backbone of the Philippine economy as they account for over 99% of the establishments in the country, generating around 60% of jobs for Filipinos and contributing about 40% to the country's gross domestic product, according to a 2020 report by the United Nations Development Programme, Philippines.

Despite this, MSMEs continue to face difficulties in securing funds that will support their business growth and expansion. According to a 2023 study by the Asian Development Bank, most micro enterprises, and more than half of SMEs, have no access to formal credit.

Acknowledging the crucial role of small entrepreneurs in nation-building economic growth, the government, through Republic Act No. 9501, or the Magna Carta for MSMEs, aims to promote the development of MSMEs, providing guidelines for their eligibility for government assistance, and the celebration of the MSME Development Week every second week of July.

In the third quarter, coinciding with the MSME Development Week, the Securities and Exchange Commission (SEC) strengthened its commitment to supporting the growth of small businesses by rolling out policies that streamlined company and securities registration processes, and enabled cheaper transactions with the Commission, allowing easier access to capital for MSMEs.

"You, the MSMEs[...]are not just participants in our economy. You are its lifeblood—community builders, job creators, innovators," SEC Chairperson Francis Lim said in his keynote message during the Commission's celebration of MSME week.

"We in the SEC know that access to finance remains a major hurdle[.]This is where the capital market becomes your ally. It opens doors beyond traditional bank loans. It can help you raise the funds you need to expand, innovate, and compete globally," he added.

Filing fee discounts

To encourage MSMEs to register with the Commission and enter the capital market, the SEC on July 16 issued Memorandum Circular (MC) No. 8, Series of 2025, aimed at Further Supporting the Growth and Expansion of MSMEs by Providing Discounted Rates for Certain Filing Fees.

Under the memorandum circular, MSMEs that seek to register as a corporation are given a 20% discount on registration fees, while those seeking to increase their capital stock through an amendment of their articles of incorporation are given a 25% discount on filing fees. The rates will be effective until December 31, 2025.

Meanwhile, consistent with its commitment to further reduce friction costs associated with going public, the SEC is also providing a 50% discount for the registration of securities for MSMEs who will tap the capital market. This discount will be effective until June 30, 2026.

The memorandum circular adopts the classification of MSMEs based on asset size provided under the magna carta for MSMEs. Under the law, micro-sized businesses have assets of up to P3 million; up to P15 million for small businesses; and up to P100 million for medium-sized enterprises.

Streamlining application processes

During this period, the Commission reinforced its efforts to provide more efficient services with the issuance of SEC MC No. 7, Series of 2025, which imposed strict timelines in processing all types of registrations, coupled with a "deemed approved" policy if the Commission fails to process a request beyond the prescribed period.

Meanwhile, to further streamline the company registration process, the SEC expanded the list of industries allowed to avail of the one-day registration process through the One Day Submission and Electronic Registration of Companies (OneSEC) Zuper Easy Registration Online facility to 81 from 33.

The expanded coverage has allowed the SEC to post an increase of nearly 300% in the number of companies registered through OneSEC in July at 2,938, compared to only 1,014 registrations in May.

"As we move to streamline the registration process, we hope to encourage more entrepreneurs to use the corporate vehicle in facilitating their business and eventually, raise funds for expansion by tapping the capital market," he added.

Launched in 2021, OneSEC, a subsystem of the Electronic Simplified Processing of Application for Registration of Company (eSPARC) that makes use of pre-filled application forms, allowed companies to complete the registration process in as fast as one minute and 14 seconds, from the start of the application to the receipt of a digital certificate of incorporation.

Corporations that are eligible to register via the "pass through" system include one-person corporations and regular corporations with two to 15 incorporators, board of directors and stockholders.

The list of firms that are eligible to use the OneSEC facility was subsequently expanded to accommodate corporations with foreign equity.

MSME caravan

As part of the celebration of the MSME Development Week, the SEC held the "Juan with SEC CARAVAN: Service, Education, and Capital Raising for every Juan," from July 9 to 11, aimed at empowering small entrepreneurs to develop their businesses, in line with the commitment of President Ferdinand R. Marcos Jr.'s administration to promote the welfare of MSMEs.

The caravan featured the Juan Knowledge Series which involved presentations and panel discussions on the policies and programs of the SEC, including business registration, sustainability reporting for SMEs, and spotting investment scams to protect their financial security.

The Commission also partnered with other government agencies and private institutions, such as the Department of Trade and Industry, National Development Company, Manila Angel Investors Network, Eastern Securities-RoundOne, and DragonFi Securities, Inc., to discuss how MSMEs can raise funds through the capital market and alternative financing options, such as crowdfunding.

Public information and assistance booths, or the Juan-on-One Helpdesk, was also set up during the caravan to directly address the inquiries and concerns of the MSME participants regarding SEC processes, digital services, and capital-raising options.

MSMEs were also provided booths at the venue to promote their products and services to customers and potential investors through the Juan Negosyo Lane.

"All these efforts send a clear message: Your SEC is here to empower you. To help you overcome barriers. To open doors to capital. To grow with confidence," Mr. Lim said. "We look forward to seeing more MSMEs not just surviving, but thriving—and, one day, taking the next big leap by listing on our SME Board. Together, let's show that when every Juan is empowered by the SEC, no enterprise is too small to succeed," he added.

#CheckwithSEC

The Securities and Exchange Commission (SEC) regularly issues advisories, as well as cease and desist orders, to protect the public from individuals and groups soliciting investments without the necessary licenses from the Commission. It also revokes the certificates of registration of partnerships and corporations engaged in unauthorized investment-taking activities, and actively pursues them in court. Read the advisories issued by the Commission by visiting bit.ly/SECAdvisories or by scanning the QR code.

DOJ indicts Abra Mining for illegal trading of shares

Acting upon the complaint filed by the SEC, the Department of Justice (DOJ) indicted Abra Mining & Industrial Corporation (AR), its directors, officers, transfer agent, and certain stockholders for unauthorized and fraudulent trading of shares from 2015 to 2019. he SEC discovered that AR issued and traded shares exceeding those registered with the Commission and listed with the Philippine Stock Exchange (PSE). Around 259 billion shares were found to be lodged with the Philippine Depositary and Trust Corp., despite only 95 billion registered and 72.95 billion authorized for listing—showing that AR had illegally issued or traded unregistered shares.

MFT Group charged for illegal investment scheme

The DOJ has indicted Maria Francesca Tan (MFT) Group of Companies, Inc., Foundry Ventures I, Inc., and their respective officers for their unauthorized solicitation of investments from the public. The case stemmed from a complaint filed by the SEC in April 2024, which found MFT Group to be promising potential investors to participate in its investment scheme a guaranteed return ranging from 12% to 18% of the amount invested, without the necessary licenses from the SEC. The amount invested in the investment-taking activity that resembles a Ponzi scheme, will allegedly be used to finance the purchase orders for "sure projects" of the companies' subsidiaries.

Pangasinan court fines JRL Kwarta Trading employees for illegal investment scheme

A regional trial court in Pangasinan penalized five employees of JRL Kwarta Trading Co. amounting to P750,000 for their engagement in unauthorized solicitation of investments from the public, following a case build-up led by the SEC. The company was found to be offering a crypto investment scheme that requires a minimum investment of P30,000, promising investors with monthly release of profits, without the necessary license from the Commission.

SEC stops PU Prime's illegal investment scheme

The SEC stopped the operations of Pacific Union LLC, PU Prime Philippines, and/or PU Prime Support PH after it was found to be soliciting investments from the public without both primary registration and secondary license. Under its scheme, PU Prime requires prospective investors to make investments ranging from $50 to $10,000. The amount is placed in a bank specified by the company and will be used in trading foreign currency, and/or investing in CFD. It promises guaranteed monthly returns of 10 percent of the invested amount and a 100 percent deposit bonus on first deposits, a strategy commonly used to attract investors in high-risk trading schemes.

SEC cancels primary registration, secondary license of Convenience Cash Lending

The SEC revoked the corporate registration and secondary license of Convenience Cash Lending Corp., doing business under the name and style of Zada Cash and Bloom Cash, for engaging in unfair debt collection practices. This follows the Commission's receipt of over 600 complaints over the collection practices of the company, four of which ripened into formal complaints. The complaints alleged that the company sent threatening messages to the borrower and his/her contacts, as well as funeral services to the borrower's address.

SEC orders Link Credit Lending to pay P1 million for unfair debt collection practices

The SEC imposed a P1 million penalty on Link Credit Lending Investors Inc., doing business under the names and styles of iPeso and Pesoin, for engaging in unfair debt collection practices. FinLend found Link Credit Lending to be sending messages containing insults that tend to abuse borrowers. It was also found to be sending threats that they would call the borrowers' emergency contact and co-workers for non-payment of their loans.

SEC stops 7 online lending platform operators

The SEC issued a CDO against Cash Konek, Pesosuki, Yescom Lending-Quick Cash Loan, Peso101-Fast Loans PH, Peso Cow-Mabilis Pera Loan, Swiftloan:Loan App Philippines, and Pera Loan: Fast Cash PH for operating OLPs that are not registered with the Commission, in violation of MC No. 19, Series of 2019. The companies' operations of unregistered and undisclosed OLPs circumvent the Commission's regulatory and supervisory authority, thereby exposing the general public to potential risks, such as abusive and unfair debt collection practices, unjust interest rates, and violation of data privacy rights, according to the order.

SEC issues CDO against Fortune Wave

The SEC issued a CDO against Fortune Wave Solution Hub OPC, Fortune Wave Trading, Fortune Wave Trading PH, and certain individuals for the soliciting investments from the public without the necessary licenses from the Commission, in violation of the Republic Act No. 8799, or the Securities Regulation Code (SRC). The group was found to be offering and selling investment contracts on Facebook through various daily plans ranging from P1,000 to P500,000, with promised yields ranging from 3 percent to 330 percent, with promises of a 100 percent money-back guarantee.

SEC charges Creditable Lending for abusive collection practices

The SEC, together with the National Bureau of Investigation and the National Privacy Commission, filed criminal complaints before the DOJ against 173 employees, as well as the officers and owners of Creditable Lending Corporation, the operator of online lending application Easypeso, for engaging in abusive collection practices. Creditable Lending has been a subject of the discussions of the Task Force on Online Lending Application, following increasing reports of harassment committed by lenders.

SEC issues CDO against Hinance Lending

The SEC issued a CDO against Hinance Lending Investors Corp., doing business under the names HotCash, VI Peso, and KindCash, for its operation of an unregistered online lending platform (OLP). Hinance failed to disclose in its business plan that it owns and operates the OLP, Magic Peso, in violation of SEC Memorandum Circular No. 19, Series of 2019, which requires full disclosure and reporting requirements for financing and lending companies using OLPs. It also violated the moratorium imposed on new OLPs in place since November 2021.

SEC penalizes LHL Online Lending for misleading loan deals

The SEC has imposed a P129,000 fine on LHL Online Lending Inc., doing business under the names and styles of Pautang Online and Pautang Peso, for providing misleading information in its loan agreements. An investigation by the SEC revealed that loan payment terms indicated in the company's disclosure statement to borrowers would be 150, 180 or 210 days. In reality, LHL Online Lending provides its borrowers a shorter period to repay. Borrowers are then subjected to hidden surcharges and interest for failure to pay within the shorter timeframe, in violation of the Truth in Lending Act.

SEC issues CDO against Fuse Lending for malicious use of corporate name

The SEC issued a CDO against an entity for its malicious use of the former corporate name of Fuse Financing, Inc., the official financing arm of mobile payment services GCash. Formerly registered as Fuse Lending, Inc., Fuse Financing flagged the suspicious website that allegedly uses its former corporate name, posing potential risks to the public and threatening its legitimate operations.

SEC suspends Sumulong Financing's license

The SEC suspended the secondary license of Sumulong Financing Inc., doing business under the names GoPeso, Fast Peso and Fundly, for 60 days. The suspension stemmed from Sumulong Financing's failure to secure the requisite approval of its amended business plan, in violation of SEC MC No. 3, Series of 2022, which requires Commission's approval to a material change to a financing company's business plan may be implemented. The company also violated SEC MC No. 5, Series of 2023, which requires the inclusion of the contact information of the financial service provider's internal complaints handling unit in its official communications materials.

SEC issues CDO against entity posing as Una Amigo Lending

The SEC has issued a CDO against an entity that has been unlawfully and maliciously using the corporate name of Una Amigo Lending Corporation for unauthorized lending activities. The issuance of the CDO stemmed from a complaint filed by Una Amigo Lending, a duly registered lending company with the SEC, of an entity that has been using its corporate name in an unauthorized website and fake SEC registration document. The entity has also been using Una Amigo Lending's name for a fake corporate logo, fake company identification cards, and its office setup.

SEC advises public against "Recovery" and "Advance Fee Recovery Scam"

The SEC warned the public to exercise the highest degree of caution against certain persons or groups online that claim to offer assistance to scam victims but are, in fact, designed to defraud them a second time. These online entities exploit individuals who have already fallen victim to fraudulent schemes. Common tactics include: offering to recover funds lost to scams in exchange for advance fees or personal information; falsely claiming affiliation with government agencies or law enforcement authorities; and fabricating testimonials, documents, or credentials to appear legitimate.

INVESTOR ALERTS

The SEC has issued advisories against the following entities for soliciting investments from the public without the necessary license from the Commission.

Cpreneur Perfume Trading
Quadbit Verse
The Pegasus International Ventures Incorporation
Infin8 Success Global, Infin8success-Global Health and Beauty Products Trading
Eudor Group of Companies Inc.
Gainexpress
Fortune Wave Solution Hub OPC, Fortune Wave Trading, And Fortune Wave Trading PH
A Certain "Romar Daro" and/or "Integrated Risk Management Association of the Philippines, Inc.", *claiming affiliation with the SEC Iloilo Extension Office*
Unregistered crypto platforms, including Blofin CoinW, DigiFinex, LBank, and Pionex

Before you invest, always remember to #CheckwithSEC. Report investment scams to the SEC Enforcement and Investor Protection Department at **epd@sec.gov.ph**.

SEC RULES

From July to September 2025, the Securities and Exchange Commission issued seven memorandum circulars embodying new rules and regulations concerning corporations and other SEC-supervised entities. The full text of the following memorandum circulars may be found on the SEC website by visiting bit.ly/SECMemoCirculars or scanning the QR code.

SEC Memorandum Circular

No. 7

Series of 2025

Date of issuance: July 10, 2025
Date of effectivity: July 14, 2025

Affirming the Commission's Commitment to Ease of Doing Business and Providing for Strict Timelines in the Processing of Applications and the Guidelines for Applications Deemed Approved

The new policy sets clear and enforceable turnaround times for applications for permits, licenses, registrations, certificates, clearances, and other authorizations. It provides that simple applications must be processed within three working days; complex applications within seven working days; and highly technical applications within 20 working days. Transactions governed by special laws must be processed according to timelines under applicable statutes or the SEC Citizen's Charter. If the Commission fails to act within these prescribed timelines without reverting to the applicant with a notice of deficiency, the application shall be deemed approved — provided all documentary requirements have been submitted.

SEC Memorandum Circular

No. 8

Series of 2025

Date of issuance: July 16, 2025
Date of effectivity: July 18, 2025

Further Supporting the Growth and Expansion of MSMEs by Providing Discounted Rates for Certain Filing Fees

Under the memorandum circular, MSMEs that seek to register as a corporation will be given a 20% discount on registration fees. MSMEs seeking to increase their capital stock through an amendment of their articles of incorporation will also be given a 25% discount on filing fees. The discounted rates will be effective until the end of the year, or on December 31, 2025. Meanwhile, the SEC is also providing a 50% discount–effective until June 30, 2026–for the registration of securities for MSMEs who will tap the capital market. The memorandum circular adopts the classification of MSMEs based on asset size provided under the Magna Carta for MSMEs, which classify micro-sized businesses as those with assets of up to P3 million; up to P15 million for small businesses; and up to P100 million for medium-sized enterprises.

SEC Memorandum Circular

No. 9

Series of 2025

Date of issuance: July 24, 2025
Date of effectivity: July 26, 2025

Further Streamlining the 45-Day Registration Statement Review Process Under the Markets and Securities Regulation Department of the SEC, and Providing a Discounted Rate for the Registration Fee

The guidelines streamline the evaluation and approval process for registration statements by, among others, integrating clearance processes across departments of the Commission in the 45-day processing timeline provided under the SRC. It also provides a 30% discount on the assessed registration fees of all registration statement applications until December 31, 2025. The rules cover all registration statement applications by companies seeking to conduct initial public offerings or follow-on offerings, as well as those issuing investment contracts, certificates of participation, profit-sharing agreements, bonds, and debt securities, as well as other forms of securities being registered by power generation companies and distribution utility companies and real estate developers and/or managers in relation to rental pool arrangements.

SEC Memorandum Circular

No. 10

Series of 2025

Date of issuance: August 7, 2025
Date of effectivity: August 9, 2025

Repeal of the Rules Allowing the Trading of "B" Shares on the Regular Board and Requiring Buyers to Accept either "B" or "A" Certificates

The guidelines discontinued the classification of shares into Class A and B, repealing an old rule issued by the Commission back in 1973 to monitor strict compliance with the 40% foreign ownership limit of stocks. Under the 1973 rules, Class A shares can only be issued to Filipino citizens, while Class B shares may be issued to Filipinos and foreigners alike. The rules recognize that the classification resulted in unfair disparity in price between Class A and B shares, and that such a classification has been the source of administrative inefficiencies for trading participants and other concerned market players.

SEC Memorandum Circular

No. 11

Series of 2025

Date of issuance: September 9, 2025
Date of effectivity: September 16, 2025

Providing Further Guidelines on Exempt Transactions under Section 10 of Republic Act No. 8799 or the Securities Regulation Code, Amending for the Purpose Rule 10 of the 2015 Implementing Rules and Regulations of the SRC

The rules clarified exempt transactions for the registration of securities under Republic Act No. 8799, or the Securities Regulation Code (SRC). Section 10.1 of the SRC provides a list of certain securities that are exempt from the general registration requirement for securities that are to be sold or offered for sale or distribution in the country, while Section 10.2 grants the SEC power to exempt transactions other than those listed in Section 10.1, subject to the payment of appropriate fees. The MC outlines how companies can secure or confirm exemptions based on the aforementioned provisions.

SEC Memorandum Circular

No. 12

Series of 2025

Date of issuance: September 19, 2025
Date of effectivity: September 21, 2025

Amendments to Rule 8.1.2. of the 2015 Implementing Rules and Regulations of the SRC – Delayed and Continuous Offering and Sale of Securities

The rules expanded the validity of shelf registration offerings and simplified the process for such transactions. The registration for securities that will be offered on a continuous or delayed basis will now be valid for a period of five years, from three years previously, effective from the date of the registration statement under which they are being offered or sold. The guidelines also reduced and simplified the documentary requirements needed in applying for a permit to sell for each subsequent tranche following the initial offering. The amendments complement the Commission's efforts to provide companies more flexibility and efficiency in their capital-raising efforts.

SEC Memorandum Circular

No. 13

Series of 2025

Date of issuance: September 23, 2025
Date of effectivity: September 26, 2025

SEC Guidelines on Philippine Green Equity

The Guidelines on Philippine Green Equity provides the framework on how companies listed on the stock market can carry the Green Equity label. The Philippine Green Equity label is a designation given to PLCs that generate a significant portion of their revenues from, and direct majority of investments toward, green activities, as classified under the Philippine Sustainable Finance Taxonomy Guidelines (SFTG) and the ASEAN Taxonomy for Sustainable Finance (ATSF). The guidelines provide a coherent framework on how PLCs can be given such designation, with the objective of enhancing their visibility and attractiveness and directing capital flow toward enterprises that demonstrate environmental stewardship. The guidelines form part of a series of Sustainable Finance Frameworks issued by the SEC to expand the capital markets in sustainable growth and development.

EO CORNER

The SEC ensures the efficient delivery of its services across the Philippines through its Extension Offices (EOs). Located in strategic locations in Baguio, Tarlac, Ilagan, Legazpi, Laoag, Lipa, Cebu, Bacolod, Iloilo, Tacloban, Davao, Cagayan de Oro, Zamboanga, Butuan, and Koronadal, the EOs are vital in the SEC's fulfilment of its mandate of overseeing the corporate sector and protecting investors from fraudulent investment schemes.

The Baguio EO conducted a Registration and Annual Reporting Orientation for farmers and irrigators associations in Abra and Apayao, in partnership with the National Irrigation Administration–Cordillera Administrative Region. The activity aimed to empower farmers' groups by equipping them with essential knowledge on SEC registration and reporting processes. The Baguio EO also promoted regulatory compliance, transparency, and good governance to the associations to strengthen their organizations and support sustainable community development.

The Ilagan EO conducted a training for Nueva Vizcaya Agrarian Reform Beneficiaries Organizations (ARBOs), reorienting them on the submission of reportorial requirements and the use of the Electronic Filing and Submission Tool or eFAST. Held last September 26 at DISADECO Hotel in Bayombong, the event aimed to increase compliance of ARBOs with the submission of required documents annually to sustain good corporate standing and to attract bigger developmental opportunities. The event was supported by the Department of Agrarian Reform Nueva Vizcaya Provincial Office.

The Tarlac EO hosted the Kapihan sa SEC with the Tarlac Press and Radio Club (TPRC) on August 15 to provide latest updates on SEC services, policies and initiatives. The conference, led by Tarlac EO Director Richard R. Laus and Securities Counsel Emerald L. Lansangan, also highlighted the continuing efforts of the EO to strengthen investor protection, promote good corporate governance, and increase public participation in the capital market. During the event, Tarlac EO and the TPRC signed a Memorandum of Agreement to strengthen their collaboration under the SEC CAN! (Communication, Advocacy and Network) initiative.

The Legazpi EO participated in the Capacity Enhancement Training for Field Implementers conducted by the Department of Social Welfare and Development (DSWD) Region V across the Bicol Region to equip around 480 DSWD field officers with knowledge on the Commission's company registration process. Through the discussion during the training held in Naga City, Legazpi City, Catanduanes, and Masbate from August to September, the Legazpi EO prepared participants in supporting community projects through proper organizational formation and resource mobilization, underscoring the Commission's commitment to empowering partners in building transparent and sustainable community-based initiatives.

The Lipa EO and the Polytechnic University of the Philippines (PUP) Sta. Rosa Campus solidified their partnership to promote robust financial literacy and strengthen investor protection with a MOA signing last August 6. The MOA signing under the SEC CAN! Initiative was led by Lipa EO Director Eretzlsrel B. Valle, and PUP Sta. Rosa Executive Committee member Assoc. Prof. Leny V. Salmingo, PhD. The event was attended by approximately 450 Business Administration students, equipping the next generation of professionals with the knowledge needed to make sound financial decisions.

The Cebu EO conducted a Financial Literacy - University Roadshow in partnership with the University of Cebu - Main Campus at the UC Main Auditorium in Cebu City last September 20. Over 270 college students from various degree programs participated in the activity. The seminar opened with the "Financially Literate KNB" quiz where students competed in teams to test their financial literacy. The event featured lectures on Financial Fitness and Awareness of Investment Scams. The Cebu EO aims to visit more universities in the provinces of Cebu and Bohol to conduct more financial literacy roadshows.

The Bacolod EO joined the Department of Education's National Teacher's Month – Mid-Month Celebration last September 21 at the Lamberto Macias Sports and Cultural Complex in Dumaguete City. During the event, Bacolod EO set up a booth to raise awareness on financial literacy and investor protection among teachers in Visayas to secure their financial future. The EO also promoted the opening of a satellite office in Dumaguete City as the SEC strives to bring it services closer to the people of Negros Oriental and Siquijor.

The Tacloban EO actively participated in a series of engagements across the region as part of its continuing efforts to promote financial literacy and investor protection. On August 13, the EO conducted a brief orientation on the Commission's mandates, programs, and services for the employees of the Bangko Sentral ng Pilipinas–Tacloban as part of its Lecture Series. The following day, it held an orientation to 2,000 students at Southern Leyte State University–Main Campus on how to spot and avoid investment scams. It also served as a panel member in the "Inter-agency Synergy for Innovation and Transfer" segment of the Innovation Summit organized by the Department of Science and Technology Regional Office VIII.

The Iloilo EO gathered law enforcement and relevant government agencies on August 15 at the PRO-6 Headquarters, Fort San Pedro, Iloilo City, to strengthen efforts against harassment, public shaming, and threats arising from advance fee scams and unfair debt collection practices. Participating agencies included the NBI–Western Visayas Office VI, Consumer Account Protection Office of the BSP Headquarters, and the NTC – Regional Office VI. The collaborative meeting focused on addressing cybercrimes and abusive online lending schemes, and on developing a coordinated, strategic, and preventive approach to these pressing issues.

The Davao EO brought its Financial Literacy Campaign to the University of Southeastern Philippines – Mintal Campus in Davao City last August 29. Speaking before 204 students and faculty members of the Department of Development Management, Davao EO representatives expounded on the concept of saving, providing tips on making wise choices in allocating their money. They also delivered a lecture on investment scams and advance fee schemes, a timely topic as students have seen advertisements on such schemes on social media.

The Cagayan de Oro EO joined the two-day celebration of the National Crime Prevention Week held last September 2 and 3 at SM CDO Downtown. As one of the exhibitors, the EO presented to the public the Commission's advocacy and campaign efforts on scam detection. The EO representatives also accommodated queries from the public about investment scams. The National Police Commission - Region X acknowledged the EO for its proactive participation in the campaign.

The Zamboanga EO delivered a lecture to the military officers and personnel of the Western Mindanao Command (WMC) on the procedures and prerequisites for registering People's Associations on August 1 at the WMC Headquarters in Calarian, Zamboanga City. The training aimed to equip the Joint Task Forces Public Affairs Teams and other WMC Units with the fundamental knowledge needed to guide and support newly established associations in gaining juridical personality and protection against terrorist activities.

The Koronadal EO participated in the meeting of the United Bankers Association of South Cotabato, Inc. (UBASCI) on September 11, at Babs Resto, in Koronadal where Director Nechelle J. Gedorio-Mesias led discussions on the Commission's mandates and the SEC CAN! Initiative. Ms. Gedorio-Mesias emphasized investor protection, financial literacy, and ease of doing business. She also underscored possible collaborations with UBASCI to enhance financial inclusion and compliance awareness.

The Butuan EO brought its Investor Education Roadshow to Surigao del Norte State University – Main Campus on September 10, empowering the youth and providing them with essential knowledge on financial literacy and investor protection. The roadshow featured discussions on personal financial management and spotting red flags of investment scams to guide them in making responsible and informed financial decisions. Over 200 student leaders from the university's student council, department councils, and accredited school organizations participated in the event.

SEC MATTERS

Read the latest notices and announcements of the Securities and Exchange Commission by visiting bit.ly/SECMatters or by scanning the QR code.

Shortened Validity of Payment Assessment Forms

The SEC has shortened the validity of the Payment Assessment Form to 10 calendar days from 45 calendar days.

The 10-day validity applies to PAFs for all SEC transactions, except those issued for the payment of fines and penalties, starting July 28, 2025. PAFs issued prior to said date will remain valid for a period of 45 days from the date of issuance.

The public is advised to settle their PAFs within the 10-day period to ensure the speedy processing of their applications

New SEC Contact Center Hotline Number

Effective September 1, 2025, the new hotline number of the SEC Contact Center shall be 8-250-4521. This number will serve as the primary channel for general inquiries and assistance. The previous hotline number, (02) 5322-7696, has been discontinued and is no longer operational.

Submission of Secondary Reports through ICTD email

Effective August 18, 2025, the filing of secondary reports sent to ictdsubmission@sec.gov.ph will be automatically reverted if they fall under any of the specified reasons for reversion.

For the full list of possible reasons for reversion and the corresponding guidelines to help you avoid such reversion, visit bit.ly/ICTDsub.

SEC RENT Compliance

The SEC reminds corporations covered by SEC Memorandum Circular No. 12, Series of 2024, otherwise known as Securing and Expanding Capital in Real Estate Non-Traditional Securities (SEC RENT), that the grace period to comply with securities registration requirements ends on September 30, 2025. Companies whose operations fall under SEC RENT must register their securities before the deadline to avoid penalties for non-compliance.

Notice to SEC Covered Persons on the Prohibition Against Transactions Involving Online Gambling Platforms

The Anti-Money Laundering Council reminded all covered persons of the prohibition on transactions with online gambling platforms not registered with the Philippine Amusement Gaming Corporation. Accordingly, SEC-supervised entities must ensure that all dealings involving online casinos or gambling platforms are only with PAGCOR-registered entities. They are urged to exercise heightened vigilance, monitor customer transactions, update profiles, and conduct enhanced due diligence when necessary.

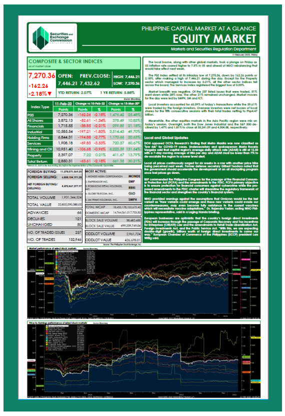
For inquiries and other concerns, head to the SEC Contact Center via the link https://www.sec.gov.ph/contact-us/ or by scanning the QR code.

SEC PUBLICATIONS

Check out these other SEC publications to learn more about the Philippine capital markets, business sector, and overall economy.

DAILY MARKET UPDATES

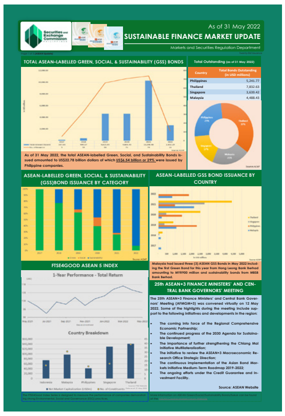
bit.ly/SECMarketUpdates



Track the movement of stock, bond, and commodity prices, as well as foreign exchange rates, by tuning in to this daily publication by the SEC Markets and Securities Regulation Department. Daily updates are available for the Equity, Fixed Income, and Foreign Exchange and Commodities Markets.

SUSTAINABLE FINANCE MARKET UPDATE

bit.ly/SECSustainableFinance



This monthly publication by the SEC Markets and Securities Regulation Department contains news on sustainable finance, as well as a rundown of green, social, and sustainability bonds issued in the Philippines and the ASEAN region for the period.

SECONOMICS

bit.ly/sececonomicpubs

The SEC Economic Research and Training Department provides monthly updates on the Philippine economy, i.e. the country's economic growth, government spending, developments in the business sector, performance of capital markets, as well as other pertinent domestic and international news for the period.