Securities and Exchange Commission
PHILIPPINES

ANNOTATED

IMPLEMENTING RULES AND REGULATIONS
OF THE

Securities Regulation Code

as Amended

REFERENCE INDEX

PURSUANT TO

Republic Act No. 8799

INDEX OF MEMORANDUM CIRCULARS ON THE SECURITIES REGULATION CODE

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General Regulatory Framework

MC No.	Subject, Date, and Description	Rule Reference	Category/ Status
15-2003	**Re: Requests for Legal Opinions (16 December 2003)** Establishes guidelines governing the submission and processing of requests for legal opinions, clarifying the scope of queries the Commission will and will not entertain in the exercise of its mandate. It covers any person or entity seeking a legal opinion from the Commission on questions relating to the interpretation and application of laws and rules it enforces. It requires requestors to raise specific, fact-based legal questions supported by complete documentation, and bars the Commission from opining on court-pending matters, contract validity, hypothetical queries, or issues within another agency's jurisdiction.	8.1; 9.1; 10.1; 17.1	Guidance
8-2022	**Re: Guidelines on Arbitration of Intra-Corporate Disputes for Corporations (19 September 2022)** Establishes a comprehensive framework for arbitrating intra-corporate disputes under Section 181 of the Revised Corporation Code (RA 11232), prescribing procedures for arbitration agreements, tribunal composition, arbitrator appointment, challenge, and award enforcement. It covers domestic corporations and their stockholders, members, directors, trustees, officers, executives, and managers who are parties to or bound by an intra-corporate arbitration agreement. It requires arbitration agreements to specify the number of arbitrators and appointment procedure, mandates use of accredited arbitrators, empowers the SEC to make default appointments, and treats final awards as executory after fifteen days.		Special Rules

Securities Registration

MC No.	Subject, Date, and Description	Rule Reference	Category/ Status
9-2025	**Re: Further Streamlining the 45-Day Registration Statement Review Process under the MSRD and Providing a Discounted Rate for the Registration Fee** Provides guidelines to further streamline the 45-day Registration Statement review process under Section 12.6 of the SRC before the MSRD,	8.1.; 12.1; 72.1	Guidance

	and grants a 30% discount on assessed registration fees. It covers all applicant-registrants filing Registration Statements under the MSRD, including those conducting IPOs, follow-on offerings, and issuances of investment contracts, bonds, and debt securities, except agri-business corporations and hospitals. Registrants must pay 20% of the total registration fee upfront to commence the 45-day review and respond to MSRD comment letters within 20 calendar days, with the remaining 80% due before Commission En Banc presentation.		
7-2023	**Re: Guidelines on Application for the Allocation of ISIN, CFI, and FISN Codes for Financial Instruments (25 April 2023)** Establishes guidelines for applying for the allocation of internationally recognized securities identifiers—ISIN, CFI, and FISN—for financial instruments registered or exempt under Sections 8, 9, 10, and 12 of the SRC, consistent with IRR Rule 3.1.20. It covers issuers of registered and exempt securities, including those issuing equity, debt, derivatives, and tokenized instruments, as well as financial intermediaries acting on their behalf. It requires issuers to submit an application with supporting documents and pay PHP 1,500 per identifier set, with allocation completed within 24 hours, and new ISINs obtained upon specified corporate actions.	3.1.20, 8.1.2, 12.1.3.1	Special Rules
12-2025	**Re: Amendments to Rule 8.1.2 of the 2015 IRR of the SRC, Delayed and Continuous Offering and Sale of Securities (Enhanced Shelf Registration)** Amends Rule 8.1.2 of the 2015 SRC IRR, implementing an Enhanced Shelf Registration framework that extends the validity period of shelf registrations from three (3) to five (5) years. It covers registered issuers offering securities on a continuous or delayed basis in tranches, registered under Sections 8 and 12 or required to report under Section 17 of the SRC. Issuers must file a simplified Permit to Sell application, using SEC Form 12-1-SR, an updated prospectus, and a sworn certificate of no material change, either 7 or 30 calendar days before each subsequent tranche offering.	8.1.2	Amendment
06-2021	**Re: Amendments on the SRC Rules 9 and 10 (April 2021)** Amends SRC Rules 9.1 and 10.1.3 to update the enumerated classes of exempt securities and significantly expand the categories of qualified buyers for exempt transactions under Sections 9 and 10 of the SRC. It covers all issuers and dealers of securities claiming exemption from the registration requirements under Sections 8 and 12, including banks, investment houses, multilateral financial entities, and other market participants conducting securities transactions with qualified buyers. Key changes include the addition of multilateral financial entities (MFEs) as a new class of exempt security issuers, the expansion of qualified buyer categories from the original list to nineteen types, and the clarification that exempt securities remain fully subject to the SRC's anti-fraud, civil liability, and post-trade conduct provisions.	9.1; 10.1.3	Amendment
8-2024	**Re: Guidelines for Cornerstone Investors in Initial Public Offerings** Establishes guidelines for the participation of cornerstone investors in initial public offerings, supplementing registration statement and prospectus requirements under Rule 8.1 and Rule 12.1 of the 2015 SRC Rules. It covers IPO registrant-issuers and cornerstone investors who receive a guaranteed preferential allocation of offer shares at the final IPO price, agreed upon at or before the pricing event. Issuers must include the signed cornerstone investment agreement as a material contract in the registration statement and disclose investor profiles, allocated securities, and placing terms in the final prospectus.	8.1; 12.1	Special Rules
13-2017	**Re: Rules and Regulations on Minimum Public Ownership (MPO) (5 December 2017)** This MC establishes rules under SRC Rules 8.1 and 12.1 prescribing a minimum public ownership requirement of 20% public float as a condition for the registration of securities in connection with initial public offerings. It covers all companies applying for the registration of their shares of stock for the purpose of conducting an IPO, including their obligation to maintain the MPO at all times after registration. Companies whose public float falls below 20% must submit a time-bound	8.1, 12.1, 12.2, and 12.6	Guidance

	business plan and monthly Public Ownership Reports to the Commission until compliance is restored.		
11-2026	**Re: Minimum Public Ownership Rules for Issuers of Shares of Stock to be Listed on an Exchange (24 February 2026)** Establishes a tiered Minimum Public Ownership (MPO) framework for companies seeking to list their shares on a Philippine exchange through an IPO, replacing the previous one-size-fits-all approach with a graduated system where the required public float ranges from 33% for companies with expected market capitalization not exceeding PHP 500 million down to 15% for those exceeding PHP 50 billion, with a special provision allowing the exchange to endorse an even lower floor of 12% for issuers with expected market capitalization of at least PHP 200 billion. The Circular also prescribes post-listing maintaining requirements, reporting and remediation obligations in case of a drop below the minimum, monitoring mechanisms through post-transaction book-building reports, and administrative sanctions for non-compliance — all aimed at balancing broader public ownership benefits against the need to keep the Philippine capital market competitive and responsive to current market conditions.	8.1. 10.2 and 12.1	Guidance
11-2017	**SEC Form 12-1 Simplified Registration Statement for Hospitals (SEC Form 12-1 SRS) (29 September 2017)** Establishes a simplified securities registration framework under SRC Rules 8.1 and 12.1, allowing hospitals to use SEC Form 12-1 SRS in lieu of the standard SEC Form 12-1. It covers hospital corporations seeking to raise capital by offering or selling securities to the public, with registered securities not exceeding PHP 1 billion in a single or series of registrations within three fiscal years. Registrant hospitals are entitled to a shortened 28-day review period and may engage Group B SEC-accredited external auditors for the first five fiscal years, after which engagement of a Group A auditor becomes mandatory.	8.1, 12.1, 12.6, and 72.1; 68 (Part I, Section 3(b)(ii))	Special Rules
12-2024	**Re: Securing & Expanding Capital in Real Estate Non-Traditional Securities (SEC RENT)** Adopts special registration guidelines (SEC RENT) under Rule 8.1 and Rule 8.1.2 of the 2015 SRC Rules for real estate developers and managers issuing investment contracts, certificates of participation, or profit-sharing agreements in relation to rental pool arrangements. It covers real estate developers and managers offering units in condominiums, hotels, resorts, or dormitories to buyers who contribute those units to a rental pool managed by the developer or a third-party operator. Registrants must file Form SEC RENT with the MSRD, comply with Revised SRC Rule 68 on financial reporting, and commence the public offering within ten (10) business days from the effectivity of the registration statement.	8.1 8.1.2 68 17.1 28.1 12.6, and 28.1	Special Rules
04-2024	**Re: Securing & Expanding Capital for PowerGen Operators & Wholesale Electricity & Retail Services (SEC POWERS)** Establishes simplified registration guidelines for securities under SRC Subsections 8.1, 12.1, and 72.1, using the dedicated Form SEC POWERS for power generation and distribution utility companies. It covers power generation companies and distribution utilities mandated under the Electric Power Industry Reform Act of 2001 to offer at least 15% of their common shares to the public. Covered companies must complete pre-filing clearances from multiple SEC departments, submit Form SEC POWERS with a Prospectus, and comply with a structured 45-day review before receiving a Permit to Sell Securities to the Public.	8.1, 12.1, 12.6, 28.1, 72.1; Rule 68	Special Rules
12-2026	**Re: Guidelines on the Issuance and Disclosure of SUKUK (25 February 2026)** Establishes the regulatory framework governing the issuance, registration, disclosure, and continuing obligations pertaining to Sukuk — Islamic finance certificates representing undivided investment interest in underlying assets structured in compliance with Shari'ah principles in the Philippines. It identifies the eligible issuers, permissible Sukuk structures, and prohibited elements in Sukuk transactions, while laying down detailed disclosure and reportorial requirements, Shari'ah governance and certification standards, trust deed requirements, and credit rating	8.1, 17.1,	Special Rules

	obligations, all aimed at ensuring transparency, investor protection, and compliance with Shari'ah principles in the Philippine capital market.		
14-2026	**Re: Rules on Umbrella Funds (08 April 2026)** Establishes the regulatory framework governing the creation, operation, and termination of open-end investment companies structured as Umbrella Funds in the Philippines, allowing a single investment company to consist of two or more Sub-funds with segregated assets and liabilities, each potentially pursuing different investment objectives, policies, and strategies, while setting out requirements on corporate name, Articles of Incorporation, minimum capitalization of Php100,000,000, secondary licensing and securities registration, offering documents including a Main Prospectus and Sub-fund Supplements, asset segregation, NAV computation, switching, cross Sub-fund investment, reportorial obligations, financial statements, amendment of offering documents, and procedures for voluntary termination of Sub-funds and revocation of the Umbrella Fund's licenses, with the Rules taking effect upon publication in two newspapers of general circulation.	8.1, 17.1, 68	Special Rules

Exempt Transactions

11-2025	**Re: Providing Further Guidelines on Exempt Transactions Under Section 10 of Republic Act (RA) No. 8799 or the "Securities Regulation Code" (SRC), Amending for the Purpose Rule 10 of the 2015 Implementing Rules and Regulations of the SRC (16 September 2025)** Amends Rule 10 of the 2015 SRC IRR to clarify that applications for confirmation of exempt transactions under Section 10.1 (sales to not more than nineteen persons and to qualified buyers) are optional, while applications under Section 10.2 (limited public offerings and stock option plans) remain mandatory, accompanied by comprehensive renumbering and consolidation of affected provisions. It covers all issuers claiming exemption from registration under Sections 8 and 12 of the SRC, including corporations conducting private placements, companies issuing employee stock option plans, and PSE-listed companies applying for listing approval. Key changes include the insertion of new Rule 10.1.2 (optional confirmation for Section 10.1 transactions), deletion of outdated provisions on isolated transactions and certain commercial paper requirements, revised SEC Forms 10.1 and 10.2 with updated documentary requirements and disclosure obligations, and the express repeal of MC No. 9, Series of 2008 which previously mandated SEC Form 10.1 filing for all PSE listing applicants.	10.1, 10.2, 10.3	Amendment
10-2018	**Re: Rules and Regulations on Determination of Trust Fund as a Qualified Buyer (6 August 2018)** Prescribes the rules for determining when unit investment trust funds (UITFs) and other funds managed under BSP-authorized trust or investment management arrangements qualify as qualified buyers under Section 10.1(l) of the SRC, supplementing the categories not expressly listed therein. It covers UITFs, trust corporations, and investment managers authorized by the BSP to engage in trust or investment management activities, as well as their underlying beneficial owners or principals. Non-discretionary trust and IMA funds qualify as qualified buyers only if their beneficial owners meet the financial capacity and sophistication thresholds under 2015 SRC Rules 10.1.11.1 and 10.1.11.2, and covered funds must maintain records of qualified buyer determinations available for SEC inspection for at least five (5) years.	10.1; 10.1.11.1; 10.1.11.2	Guidance
14-2019	**Re: Rules and Regulations Governing Crowdfunding (CF) (08 July 2019)** Establishes a comprehensive regulatory framework governing equity-based and lending-based crowdfunding conducted through online electronic platforms, pursuant to the exemption authority under Section 10.2 of the SRC and the mandate under Section 37 to regulate innovative	8, 10.2, 32.2(a), 37, and 72; 10.1.3, 10.1.11, 14.1, 28,	Special Rules

	trading markets for securities of start-ups and MSMEs. It covers crowdfunding intermediaries (registered brokers, investment houses, and funding portals), issuers seeking to raise capital through crowdfunding platforms, and investors, both retail and qualified, who participate in crowdfunding transactions. It requires all entities acting as intermediaries to register with the Commission, imposes tiered offering limits (up to ₱10 million for all investors and up to ₱50 million for qualified investors only within a 12-month period), mandates investor qualification checks, fund maintenance through a designated bank, ongoing disclosure and reportorial obligations, and prohibits intermediaries from holding investor funds or providing investment advice.	30.2.1.2.4.2, 39.1.4	
09-2024	**Re: SEC Stratbox (Strategic Sandbox) (25 April 2024)** Establishes the SEC Strategic Sandbox (Stratbox) framework, providing the rules and procedures for SEC-registered entities to test innovative financial products, services, or business models in a live, controlled environment with regulatory oversight, pursuant to SRC Sections 10.2 and 37. It covers all SEC-registered corporations seeking to experiment with innovative financial technology or business models that may require temporary regulatory relief, waivers, or modifications of otherwise applicable licensing, registration, or compliance requirements. Sandbox participants must secure Commission En Banc approval before commencing testing, comply with minimum safeguards including AML/CFT, cybersecurity, and consumer protection measures, and submit a post-sandbox graduation report for assessment before transitioning to full public deployment.	10.2; 37	Special Rules

Disclosure Requirements of Securities

14-2023	**Amendments to Annex C of Rule 12 of the Securities Regulation Code (21 September 2023)** Amends two provisions of Annex C of SRC Rule 12 by expanding the non-financial disclosure requirements for securities registration statements and prospectuses to allow voluntary risk mitigation disclosures. It covers all registrants filing registration statements and prospectuses with the Commission under SRC Rule 12, including issuers of securities and their significant subsidiaries. Registrants may now optionally disclose, alongside required risk discussions, the procedures used to identify, assess, and manage business risks, as well as the measures taken to mitigate the risk factors listed in the prospectus.	Annex C Part I(A)(2)(a)(xv) and Part VI(C)	Amendment
13-2023	**Guidelines on Annex C of Rule 12 of the Securities Regulation Code Interpreting the Comparative Periods Required in the Management's Discussion and Analysis (14 September 2023)** Provides interpretive guidance on Annex C of SRC Rule 12 to clarify that the phrase "each of the last three fiscal years" in the MD&A disclosure requirement means two comparative period presentations covering the registrant's three most recent fiscal years. It covers all registrants required to file registration statements or reportorial documents containing a Management's Discussion and Analysis section under SRC Rule 12. The clarification applies prospectively, requiring registrants to present two side-by-side year-on-year comparisons — the most recent fiscal year against the immediately preceding year, and the preceding year against the year before it.	Annex C Part III, Section A(2)(a)	Guidance
14-2004	**Amendments to Annex "C" of Rule 12 (29 October 2004)** Amends two sections of Annex C of SRC Rule 12 to enhance the quality of non-financial disclosures in the periodic reports of listed companies and issuers of registered securities, replacing and deleting prior provisions on auditor fees and related party transactions. It covers listed companies and all other issuers of securities registered with the Commission that file annual and periodic reports under SRC Rule 12. Registrants must now disclose disaggregated external audit fees under prescribed categories, and must provide substantive narrative disclosures on related party and	Annex C, Part III(B) and Part IV(D)	Amendment

	promoter transactions, including business purpose, pricing methodology, and fairness evaluations.		
15-2025	**Re: Revised Beneficial Ownership Disclosure Rules (22 December 2025)** Establishes the Revised Beneficial Ownership Disclosure Rules, providing comprehensive guidelines on the identification, verification, declaration, and submission of beneficial ownership information to the SEC, in furtherance of the Commission's mandate as Supervising Authority under the AMLA and Section 73 of the Revised Corporation Code. It covers all persons under SEC jurisdiction, including all domestic stock and non-stock corporations, partnerships, foreign corporations licensed to do business in the Philippines, and One-Person Corporations, requiring them to trace beneficial ownership through all corporate layers and across jurisdictions. Reporting entities must identify and disclose all beneficial owners through the SEC's Beneficial Ownership Registry at the time of incorporation or in the next General Information Sheet filed after effectivity, report changes in beneficial ownership within seven (7) calendar days, and maintain accurate records subject to SEC inspection, subject to graduated monetary penalties for late, false, or non-disclosure.	18	Special Rules

Sustainable Finance

13-2025	**Re: SEC Guidelines on Philippine Green Equity** Establishes guidelines for the Philippine Green Equity label framework, supplementing existing securities registration requirements under Sections 8 and 12 of the SRC for equity offerings aligned with environmentally sustainable finance objectives. It covers publicly listed companies on the Philippine Stock Exchange that voluntarily seek designation of their listed shares as Green Equity, in addition to their mandatory PSE listing requirements. Companies must derive more than 50% of revenue and investments from Green Activities, limit fossil fuel revenues to below 5%, and submit an externally reviewed assessment report to the Commission within a 45-day application review period.	8.1; 9.1; 10.1; 17.1	Special Rules
05-2024	**Guidelines on the Philippine Sustainable Finance Taxonomy (28 February 2024)** Adopts the Philippine Sustainable Finance Taxonomy Guidelines (SFTG), a joint framework developed by the BSP, SEC, and Insurance Commission, which classifies economic activities as Green, Amber, or Red based on their contribution to climate change mitigation or adaptation objectives. It covers all SEC-regulated entities, including bond issuers, financial institutions, broker-dealers, portfolio managers, and investment houses designing or evaluating sustainable financial products and services. Regulated entities must apply the SFTG's four-step assessment process, screening for excluded activities, selecting an environmental objective, applying the Do No Significant Harm principle, and verifying remedial measures, when classifying activities for sustainable financing.	8.1 and 12.1	Special Rules
15-2023	**Re: Guidelines on Eligible Blue Projects and Activities for the Issuance of Blue Bonds in the Philippines** Provides guidelines supplementing SRC Sections 8 and 12 on eligible blue projects and activities for the issuance of Blue Bonds in the Philippines. It covers Philippine-incorporated companies that issue or intend to issue Blue Bonds, including those with outstanding bonds issued prior to the effectivity of these Guidelines. Issuers must use Blue Bond proceeds exclusively for eligible ocean- and water-related projects, comply with the ASEAN Green Bond Standards, and submit continuous use-of-proceeds reports with quantitative performance measures.	8.1, 12.1,	Special Rules
08-2023	**Securing & Expanding Capital for Farms & Agri-Business Related Modernization Schemes (SEC FARMS)** Establishes simplified securities registration guidelines under SRC Rules 8.1 and 12.1, allowing agri-business corporations to use the dedicated	8.1, 12.1 68 (Part I, Section 3(B)(b)(I)(	Special Rules

	Form SEC FARMS in lieu of the standard SEC Form 12-1. It covers agri-business corporations specifically organized for a single agricultural project, with registered securities not exceeding PHP 500 million per project. Registrant corporations must demonstrate at least 50% project funding coverage, engage an underwriter unless they can self-distribute, and comply with a shortened 28-day registration review period with monthly progress reports.	b)(9) and Part II, Section 5(A)); 72.1	
03-2023	**Guidelines on the Issuance of Sustainability-Linked Bonds** Provides guidelines supplementing SRC Rules 8.1 and 12.1 on the issuance of ASEAN Sustainability-Linked Bonds, where the financial or structural characteristics of the bond vary depending on the issuer's achievement of predefined ESG key performance indicators and sustainability performance targets. It covers all types of debt capital market issuers, regardless of sector or geography, as long as the issuance aligns with the five core components of the ASEAN Sustainability-Linked Bond Standards. Issuers must select material and relevant KPIs, calibrate ambitious sustainability performance targets, obtain a mandatory pre-issuance external review, and submit annual post-issuance verification reports confirming KPI performance against each SPT.	8.1; 12.1	Special Rules
09-2019	**Guidelines on the Issuance of Social Bonds Under the ASEAN Social Bond Standards in the Philippines** Provides guidelines supplementing SRC Rules 8.1 and 12.1 on the issuance of ASEAN Social Bonds, where proceeds are exclusively applied to eligible Social Projects aligned with the ASEAN Social Bond Standards. It covers ASEAN-incorporated issuers and non-ASEAN issuers whose eligible Social Projects are located in any ASEAN member country. Issuers must allocate proceeds exclusively to designated Social Projects, track and manage net proceeds in a sub-account, and submit annual use-of-proceeds reports with qualitative or quantitative impact measures.	8.1; 12.1	Special Rules
08-2019	**Guidelines on the Issuance of Sustainability Bonds Under the ASEAN Sustainability Bond Standards in the Philippines** Provides guidelines supplementing SRC Rules 8.1 and 12.1 on the issuance of ASEAN Sustainability Bonds, which combine both Green and Social Projects offering environmental and social benefits under the ASEAN Sustainability Bond Standards. It covers ASEAN-incorporated issuers and non-ASEAN issuers whose eligible projects are located in any ASEAN member country. Issuers must comply simultaneously with both the ASEAN Green Bond Standards and the ASEAN Social Bond Standards, and must ensure that proceeds are not used for ineligible projects involving fossil fuels, alcohol, gambling, tobacco, or weaponry.	8.1; 12.1	Special Rules
12-2018	**Guidelines on the Issuance of Green Bonds Under the ASEAN Green Bonds Standards in the Philippines** Provides guidelines supplementing SRC Rules 8.1 and 12.1 on the issuance of ASEAN Green Bonds, where proceeds are exclusively applied to eligible Green Projects aligned with the ASEAN Green Bond Standards. It covers ASEAN-incorporated issuers and non-ASEAN issuers whose eligible Green Projects are located in any ASEAN member country, with fossil fuel power generation projects expressly excluded. Issuers must ring-fence net proceeds in a sub-account, disclose the project evaluation and selection process on a publicly accessible website, and submit annual use-of-proceeds reports with qualitative or quantitative impact measures.	8.1 and 12.1 (2015 SRC IRR); Annex C	Special Rules

Securities Market Professionals

05-2014	**Re: Guidelines on the Outsourcing of Functions of Broker-Dealers (5 February 2014)** This MC provides guidelines on the principles and standards governing outsourcing arrangements between broker-dealers and third-party service providers, including sub-contracting arrangements, pursuant to SRC Section 28.1 and the Commission's rule-making authority under the SRC. It covers all SEC-registered broker-dealers engaging or intending to engage service providers for back-office functions, subject to the	28.1; 52.1	Guidance

	prohibition on outsourcing material activities and any function involving direct client interaction for the purpose of buying, selling, or soliciting investments in securities. Broker-dealers must retain full legal accountability for all outsourced functions, execute a written outsourcing contract containing prescribed provisions, conduct due diligence on service providers, and report any outsourcing arrangement to the Commission within ten (10) days from execution of the contract.		
09-2012	**Re: Revised Guidelines on Accreditation of Surety Companies (19 September 2012)** Provides revised guidelines on the accreditation of surety companies whose surety bonds are required to be filed with the Commission, pursuant to SRC Section 28.1(b) and SRC Rule 28.1-5. It covers all surety companies whose bonds are filed with the Commission in connection with duly licensed stockbrokers and dealers. Surety companies must secure a Certificate of Accreditation from the Commission before transacting any business involving bonds filed therewith, valid for three (3) years, and subject to suspension or cancellation for grounds including misrepresentation, fraudulent acts, failure to deliver bond proceeds, or loss of Insurance Commission authority.	28.1-5; 28.1(b)	Guidance

Exchanges and Other Markets

06-2017	**Re: Guidelines on the Submission of the Annual Report on Segregation of Functions (Chinese Walls) (17 March 2017)** Provides guidelines for the implementation of SRC Rule 34.11, prescribing the form, content, and filing deadlines for the annual report on Chinese Wall policies and procedures that broker-dealers are required to submit to the Commission and the relevant self-regulatory organization. It covers all broker-dealers in securities that engage in activities subject to Chinese Wall requirements under SRC Rule 34.11, including those with research, retail and institutional sales, advisory, settlement, and accounting functions. Broker-dealers must submit the annual report using SEC Form 34.11 AR, signed by the Associated Person and noted by the President, together with an undertaking to comply with applicable rules, no later than the 15th day of March of each succeeding year.	34.11	Guidance
-	**Re: SEC Rules on Alternative Trading System (March 4, 2004)** Establishes the regulatory framework and rules for the operation of alternative trading systems under Section 37 of the Securities Regulation Code. It covers any organization, person, or system operating an electronic marketplace for securities, along with their subscribers and broker-dealers. It requires operators to register as broker-dealers, submit comprehensive operational and system documentation, maintain fair access standards, and file regular operational and financial reports.	37, 72; SRC Rule 52.1-6	Special Rules
14-2006	**Re: Rules Governing the Over-The-Counter (OTC) Market (19 December 2006)** Establishes the comprehensive regulatory framework for operating the OTC market under SRC Sections 32.2, 36, and 37, covering rules from participant registration and SRO membership to trade infrastructure. It covers registered brokers, dealers, salesmen, and associated persons of broker-dealers who trade securities bilaterally outside a registered Exchange or Alternative Trading System. Its OTC-specific provisions on quotation systems, pre-quotation documentation, real-time trade reporting, and central trade reporting system approval remain operative and are not replicated in the 2015 SRC IRR.	32.1, 32.2(b), 33, 36.2, 36.3, and 37	Special Rules
14-2019	**Re: Rules and Regulations Governing Crowdfunding (CF) (08 July 2019)** Establishes a comprehensive regulatory framework governing equity-based and lending-based crowdfunding conducted through online electronic platforms, pursuant to the exemption authority under Section 10.2 of the SRC and the mandate under Section 37 to regulate innovative trading markets for securities of start-ups and MSMEs. It covers crowdfunding intermediaries (registered brokers, investment houses, and	8, 10.2, 32.2(a), 37, and 72; 10.1.3, 10.1.11, 14.1, 28, 30.2.1.2.4.2, 39.1.4	Special Rules

	funding portals), issuers seeking to raise capital through crowdfunding platforms, and investors, both retail and qualified, who participate in crowdfunding transactions. It requires all entities acting as intermediaries to register with the Commission, imposes tiered offering limits (up to ₱10 million for all investors and up to ₱50 million for qualified investors only within a 12-month period), mandates investor qualification checks, fund maintenance through a designated bank, ongoing disclosure and reportorial obligations, and prohibits intermediaries from holding investor funds or providing investment advice.		

Corporate Governance

05-2012	**Re: Participation of Independent Directors in Employees' Stock Option Plan (13 July 2012)** Adopts the SEC's policy of allowing Independent Directors to participate in Employees' Stock Option Plans, clarifying that no express prohibition exists under SRC Rule 38 against such participation. It covers all corporations with existing or proposed stock option plans that include or intend to include Independent Directors as eligible optionees. Independent Directors may join the plan provided their resulting shareholdings do not exceed two percent (2%) of the corporation's outstanding shares at any time.	38	Guidance
07-2026	**Re: Term Limit of Independent Directors (26 January 2026)** SRC Provision Affected: Section 23 of the SRC; Rule 38 of the 2015 SRC IRR Imposes a strict maximum cumulative term of nine years for independent directors of publicly-listed companies, whether served continuously or intermittently, with any service exceeding six months counted as one full year. It permanently disqualifies independent directors who reach the nine-year cap from re-election as independent directors in the same company, removes the prior exemptive relief mechanism, and imposes a two-year cooling-off period for those who assume non-independent roles before the cap. Incumbent independent directors who have served the maximum term upon effectivity may continue only until the company's 2026 Annual Stockholders' Meeting, subject to a penalty of ₱1 million per violation plus ₱30,000 monthly for continuing non-compliance.	23; 38	Guidance
24-2019	**Re: Code of Corporate Governance for Public Companies and Registered Issuers (19 December 2019)** Adopts a comprehensive corporate governance framework for public companies and registered issuers using the "comply or explain" approach based on G20/OECD principles, covering board competence, independence, ethics, board committees, internal controls, risk management, disclosure, and stakeholder relations. It establishes 16 governance principles with recommendations covering board establishment, roles, committees, performance assessment, disclosure policies, non-financial and sustainability reporting, shareholder rights, stakeholder duties, employee participation, and social responsibility. It supersedes MC No. 6-2009 (Revised Code of Corporate Governance), MC No. 9-2014 (Amendment to Revised CG Code), and MC No. 4-2017 (Term Limits of Independent Directors) for public companies and registered issuers, requiring submission of a new Manual on Corporate Governance within six months from effectivity and an Annual Corporate Governance Report.	20; 38	Special Rules
19-2016	**Re: Code of Corporate Governance for Publicly Listed Companies (05 December 2016)** Adopts a comprehensive corporate governance framework for publicly listed companies using the “comply or explain” approach anchored on the G20/OECD Principles of Corporate Governance and the ASEAN Corporate Governance Scorecard, organized into 16 principles covering board governance, disclosure, internal controls, shareholder rights, and stakeholder duties. It covers all publicly listed companies on any Exchange registered under Section 3.7 of the SRC, with recommendations on board composition, independent directors, board committees (Audit, CG, Board	38, 68, 17, 20, 23, 22, 38	Special Rules

	Risk Oversight, Related Party Transaction), external auditor independence, non-financial and sustainability reporting, and anti-corruption mechanisms. It requires companies to submit a revised Manual on Corporate Governance reflecting the new Code and to file an Annual Corporate Governance Report disclosing compliance or explaining non-compliance on each recommendation.		
07-2018	**Re: Amendment to Rule 38.2.7 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code (SRC) (20 April 2018)** Amends Rule 38.2.7 of the 2015 SRC IRR, which sets out one of the independence disqualification criteria for independent directors of covered companies. It covers all companies required to elect independent directors under SRC Rule 38, including publicly listed companies, public companies, and registered issuers. It tightens the look-back period for the related-party transaction disqualifier by changing it from a prior transaction bar to a specific two-year prohibition, providing that an independent director must not have engaged, within the last two years and currently, in any transaction with the covered company, its related companies, or its substantial shareholders, except transactions conducted at arm's length and that are immaterial.	38.2.7	Amendment
16-2006	**Re: Disqualification of a Securities Broker-Dealer as an Independent Director (21 December 2006)** Establishes a policy disqualifying securities broker-dealers from serving as independent directors of listed companies and registered issuers of securities, pursuant to the Securities Regulation Code and its Implementing Rules and Regulations. It covers listed companies and registered issuers required to elect independent directors under SRC Rule 38, as well as all persons holding any office of trust and responsibility in a broker-dealer firm, including directors, officers, principal stockholders, nominees to the Exchange, associated persons, salesmen, and authorized clerks. It prohibits any person holding such a position in a broker-dealer firm from sitting as an independent director on the board of a covered company, and applies prospectively to directors elected after the circular's effectivity.	38	Guidance

Self-Regulatory Organizations

12-2023	**Re: Amendments to Section 39.1.4.1 of the Implementing Rules and Regulations of the Securities Regulation Code (07 September 2023)** Amends SRC Rule 39.1.4.1 on Authorized Registrars of Qualified Institutional and Individual Buyers to expand the list of entities eligible to act as Registrar, in light of the adoption of the Crowdfunding Rules under MC No. 14, Series of 2019. It covers SEC-licensed entities seeking authorization to act as Registrars, including banks, brokers, dealers, investment houses, investment company advisers, and issuer companies offering their own securities. It adds Funding Portals registered under the SEC Crowdfunding Rules as a new category of authorized Registrar, allowing them to register qualified buyers in connection with crowdfunding offerings.	39.1.4.1	Amendment
5-2026	**Re: Amendments to Rule 39.1.4 of the Implementing Rules and Regulations of the Securities and Regulation Code- Rules Governing Registrars of Qualified Institutional and Individual Buyers (20 January 2026)** Amends Rule 39.1.4 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code, which governs Registrars of Qualified Institutional and Individual Buyers (QBs). The circular rationalizes and standardizes the requirements and procedures for entities acting as Registrars, covering the initiation and cessation of their function, internal procedures, responsibilities, registry maintenance, and reporting obligations. Key updates include the introduction of a QB Identification Number (QBID) system, an Inter-Registrar Registry accessible to Authorized Registrars, a Qualified Buyer Registration Reliance mechanism allowing Registrars to rely on another Registrar's existing QB registration,	39.1.4	Amendment

	and more detailed rules on verification, renewal, disqualification, and cessation of Registrar functions — all aimed at ensuring uniform implementation, stronger investor protection, and streamlined compliance.		

Margin Requirements

12-2017	**Re: Online Submission of Risk-Based Capital Adequacy (RBCA) Reports (09 October 2017)** Provides guidelines for the electronic submission of Risk-Based Capital Adequacy (RBCA) Reports pursuant to Rule 49.1.1.3 of the 2015 SRC IRR, and in accordance with the E-Commerce Act and its implementing rules. It covers broker-dealers in securities subject to the bi-monthly RBCA reporting requirement. It requires submission via email using Public Key Infrastructure (PKI) technology issued by the Department of Information and Communication Technology (DICT), with reports filed in prescribed PDF and Excel formats following specific filename conventions, submitted before 12:00 a.m. of the day following the due date, and preceded by a physical submission of a signed Terms of Use agreement before online filing may commence.	49.1.1.3	Guidance
16-2004	**Re: Adoption of the Risk Based Capital Adequacy Requirement/Ratio (RBCA) for Broker Dealers (11 November 2004)** Establishes the comprehensive Risk Based Capital Adequacy (RBCA) Framework for all registered broker-dealers in the Philippines pursuant to Section 5 of the Securities Regulation Code and SRC Rule 28.1(E)(2)(iv), covering Position or Market Risk, Credit Risks including Counterparty Risk, Settlement Risk, Large Exposure Risk, and Margin Financing Risk, and Operational Risk. It covers all registered broker-dealers in securities, including members of the Philippine Stock Exchange and non-exchange broker-dealers. It requires broker-dealers to maintain an RBCA Ratio of at least 1.1 and a minimum Net Liquid Capital of PHP 5,000,000 or 5% of aggregate indebtedness, whichever is higher, compute and monitor their RBCA Ratio daily, maintain Core Equity in excess of their Operational Risk Requirement at all times, establish written risk management and internal control policies documented in a Risk Management Manual, set aside specific and general provisions for overdue and non-performing customer accounts, comply with prescribed limits on large exposures to single clients and single equity or debt issues, and submit monthly RBCA Reports certified by the Associated Person and President to the Commission and the Exchange.	28.1(E)(2)(iv), 49.1, 49.2, 52.1, 48.1	Special Rules
11-2023	**Re: Amendments on the 2015 Implementing Rules and Regulations of the Securities Regulation Code and SEC Memorandum Circular No. 16, Series of 2004 Relative to the Settlement Cycle from T+3 to T+2 (11 August 2023)** Amends SRC Rules 49.1.1.5.3, 50, and 52, as well as the counterparty risk schedules under SRC Rule 49(H), Subsection VI, and the corresponding provisions of MC No. 16, Series of 2004, to align the regulatory framework with a shortened securities settlement cycle from T+3 to T+2, effective for transactions executed starting 24 August 2023. It covers broker-dealers in securities engaged in agency and principal trades, as well as their customers transacting in cash, margin, and omnibus accounts. It requires that cash account purchases be settled within two business days after trade date, that receivable aging classifications and Allowance for Doubtful Accounts provisioning schedules be recalibrated to reflect the T+2 settlement baseline, and that counterparty credit risk factors for unsettled agency trades, unsettled principal trades, and debts and loans be recomputed using updated time-period brackets anchored on the new T+2 settlement cycle.	49.1.1.5.3, 50, 52.1.11,	Amendment
07-2006	**Re: Rules on Securities Borrowing and Lending (June 9, 2006)** Establishes a comprehensive framework for securities borrowing and lending transactions under SRC Sections 28 and 39, regulating institutions engaged in lending or borrowing securities and prescribing operational,	28, 33.2(I), 39, 42.2(e), 52	Special Rules

	collateral, and compliance requirements. It covers brokers, dealers, banks, insurance companies, pension funds, investment houses, investment companies, securities dealers, and other entities declared qualified by the Commission. It requires parties to execute a Master Securities Lending Agreement (MSLA) prior to any transaction, mandates registration of lending agents with a ₱50,000 fee and specified documentation, prescribes eligible loanable securities (exchange-listed or government securities in electronic form), establishes collateral adequacy thresholds (102% for cash or government securities, 105% for equity securities), requires daily mark-to-market valuation and margin call procedures, restricts foreigners from borrowing equity securities of companies engaged in nationalized activities unless foreign ownership can be properly monitored, imposes record-keeping and bi-annual reporting obligations, and provides for fines of ₱20,000 to ₱50,000 per violation or twice the transaction amount (whichever is higher).		

Books and Records Rule

03-2016	**Re: Guidelines on the Submission of Monthly Complaint Report (July 18, 2016)** Establishes procedural guidelines for broker-dealers to implement the monthly client complaint notification requirement under Rule 52.1.9.3 of the 2015 SRC IRR. It covers all broker-dealers in securities registered with a self-regulatory organization and the Commission. It requires submission of a monthly complaint report by the fifteenth day of the following month signed by the associated person or compliance officer and noted by the president, disclosure of complaint details including date received, complainant name, description, action taken, and status, attachment of duplicate copies of complaints, and submission of a nil report when no complaints are received.	52.1.9.3	Guidance

Special Accounting Rules

01-2010	**Re: Adoption of the Broker-Dealer Chart of Accounts (18 March 2010)** Formally adopts the Broker-Dealer Chart of Accounts (BDCA) as part of the Commission's rules, pursuant to Section 68 of the Securities Regulation Code, for mandatory implementation by all registered broker-dealers in securities. It covers all SEC-registered broker-dealers, including both trading and non-trading participants of the Philippine Stock Exchange, requiring them to apply the BDCA to all their financial statements beginning 01 January 2011. Non-compliance with the BDCA subjects broker-dealers to the graduated scale of fines under MC No. 8, Series of 2009 for non-compliance with the Commission's financial reporting requirements.	68	Guidance
12-2021	**Re: Revised Rules and Regulations on the Implementation of the SEC Oversight Assurance Review (SOAR) Inspection Program (December 9, 2021)** Establishes the revised rules and regulations for the Oversight Assurance Review Inspection Program under Sections 5 and 68 of the Securities Regulation Code to assess audit quality. It covers accredited auditing firms and audit engagement partners that handle companies with equity or debt securities listed in an Exchange. It requires firms to cooperate with on-site inspections, provide access to relevant audit working papers, and submit a written remediation plan within sixty (60) calendar days after the issuance of the SOAR Inspection Report to address any review findings, unless such remediation plan has already been communicated in their response to the Letter of Findings (LOF).	68	Special Rules
02-2016	**Re: Additional Requirement for Accreditation as Auditing Firm/Sole Practitioner (February 11, 2016)** Establishes an additional requirement for the accreditation of external auditors under Section 68 of the Securities Regulation Code to ensure	68	Guidance

	adherence to professional ethics. It covers all existing SEC-accredited auditing firms and sole practitioners, as well as prospective applicants. It requires these entities to submit a disclosure under oath attesting to their compliance with the Code of Ethics for Professional Accountants in the Philippines, specifically concerning conflict of interest and independence.		
32-2020	**Re: Basis of Preparation of Audited Financial Statements for BSFIs (November 17, 2020)** Adopts a modified financial reporting framework under the Revised Securities Regulation Code Rule 68 to incorporate central bank relief measures. It covers all financial institutions supervised by the Bangko Sentral ng Pilipinas and their external auditors. It requires institutions to prepare financial statements using this modified framework, disclose the specific reliefs applied, and mandate auditors to include an emphasis of matter paragraph.	68	Guidance
18-2024	**Re: Guidelines on the Disclosure of Fee-Related Information of External Auditors (December 26, 2024)** Establishes guidelines under the Securities Regulation Code Rule 68 to enhance transparency regarding external auditor independence. It covers public interest entities, including listed corporations, public companies, issuers of registered securities, and secondary license holders. It requires these entities to include a two-year comparative supplementary schedule in their audited financial statements detailing audit fees, non-audit fees, and potential fee dependencies.	68	Guidance
04-2026	**Re: Amendments to the Application and Definition of Terms Under the Revised SRC Rule 68 in Relation to the Adjustment of the Audit Threshold (20 January 2026)** Amends the Revised SRC Rule 68 by raising the audit threshold from ₱600,000 to ₱3,000,000 in total assets or total liabilities. Under the amended rule, corporations at or below this threshold are no longer required to submit audited financial statements; instead, they must file financial statements accompanied by a Statement of Management's Responsibility (SMR) signed under oath by designated officers. The circular also updates the definitions of Small Entities (total assets or liabilities exceeding ₱3 million but not exceeding ₱100 million) and Micro Entities (total assets or liabilities at or below ₱3 million), with micro entities given the option to use either the income tax basis or PFRS for SEs as their reporting framework. The amended threshold applies to financial statements covering fiscal years ending on or after December 31, 2025, and takes effect 15 days after publication in the Official Gazette or two newspapers of general circulation.	68	Amendment

Transitory

04-2018	**Re: Certification Requirements for Salesman (2 March 2018)** Adopts transitory policy guidelines for the implementation of the SEC Certification Examination requirement for salesmen of brokers and issuers of proprietary and non-proprietary shares, in line with SRC Rule 26.3 and the New Modularized Certification Examination introduced under SEC Resolution No. 733, Series of 2016. It covers existing licensed salesmen, new salesmen, and new applicants for registration as brokers or issuers of proprietary and non-proprietary shares. Existing licensed salesmen are given a one-year transitory period until 28 February 2019 to pass the SEC Certification Examination, while new salesmen may register under a provisional license subject to automatic cancellation upon failure to comply within the same period.	26.3	Guidance (Transitory)
06-2022	**Re: Extension on the Deadline of Compliance of Paragraphs 5.C. and 5.D. of Part III of the Revised SRC Rule 68 Particularly on the Transition from Sole Practitioner to Partnership Structure and Two (2)-Partner Requirement (June 9, 2022)** Amends the transition provisions under the Revised Securities Regulation Code Rule 68 by extending the compliance deadline for auditor organizational restructuring. It covers SEC-accredited external auditors	68	Guidance (Transitory)

	operating as sole practitioners and auditing firms currently functioning with less than two partners. It requires these accounting professionals to convert to a partnership structure and meet the minimum two-partner requirement by June 30, 2026, to maintain their regulatory accreditation.		
-	**Re: Guidelines on Intra-Corporate Cases Pending Before the SICD and the Commission En Banc of the Securities and Exchange Commission (August 01, 2000)** These guidelines establish the transitional procedure for the disposition of pending intra-corporate and rehabilitation cases following the transfer of jurisdiction to the regional trial courts under the Securities Regulation Code. It covers parties-litigants, their legal counsels, and representatives involved in active disputes or recovery cases filed with the Commission on or before August 8, 2000. It requires the resolution of pending disputes submitted for final decision within one year from July 19, 2000, and the transfer of all other cases to regular courts by August 9, 2000.	5.2, 1, 76	Guidance (Transitory)
9-2026	**Re: 2026 Filing Of Annual Financial Statements And General Information Sheet (11 February 2026)** Sets out the guidelines for the 2026 filing of Annual Financial Statements (AFS) and General Information Sheet (GIS) with the SEC. All corporations with fiscal years ending December 31 must file their AFS through eFAST by May 29, 2026, while those with different fiscal year-ends, publicly listed companies, and COA-audited entities follow separate deadlines. Submissions must be accompanied by BIR-stamped financials and must comply with the components required under Revised SRC Rule 68, with corporations meeting certain asset or liability thresholds required to have their AFS audited by an SEC-accredited external auditor. The GIS must be filed within 30 calendar days from the annual stockholders' or members' meeting, or, for foreign corporations, from the anniversary of their SEC license. All filings must be done exclusively through eFAST, with no submissions via email, mail, courier, or over-the-counter accepted, and late filings are subject to applicable penalties.	68	Guidance (Transitory)

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