NOTICE

TO : **ALL CONCERNED**

SUBJECT : **REQUEST FOR COMMENTS ON THE DRAFT MEMORANDUM CIRCULAR ON THE PROPOSED AMENDMENTS TO THE 2015 IMPLEMENTING RULES AND REGULATIONS OF THE SECURITIES REGULATION CODE FOR THE DECOUPLING OF DEBT AND EQUITY DISCLOSURE REGIMES, ESTABLISHMENT OF A MID-MARKET ISSUANCE FRAMEWORK, AND CREATION OF A MEDIUM-TERM NOTE PROGRAM**

In its meeting held last 23 June 2026, the Commission En Banc resolved to expose the Draft Memorandum Circular on Amendments to the 2015 Implementing Rules and Regulations of the Securities Regulation Code for the Decoupling of Debt and Equity Disclosure Regimes, Establishment of a Mid-Market Issuance Framework, Creation of a Medium-Term Note Program, and other corresponding reforms to further streamline the public offering regime. The key features of these reforms and the rationale underlying each are summarized in the **consultation paper**, which should be read together with the new forms and reportorial requirements introduced under these reforms.

To assist the Commission in undertaking a thorough and informed policy review, stakeholders are encouraged to provide comprehensive feedback, including supporting data, analysis, and recommendations. Submissions may address any provision of the draft Memorandum Circular or offer alternative approaches. Stakeholders are likewise encouraged to comment on the proposed registration and periodic reporting forms summarized in the table below, including the scope and proportionality of the disclosure requirements applicable to each issuer category.

Issuer Type	Registration	Annual	Quarterly
Debt-Only Issuers (Annex C-DOI)	Form 12-1 DOI	Form 17-A DOI	Form 17-Q DOI
Mid-Market Issuers (Annex C-MM)	Form 12-1 MM	Form 17-A MM	Form 17-Q MM
Dual Issuers	Form 12-1 w/ Form 17-AB	Form 17-A w/ Form 17-AB	Form 17-Q

MTN Issuers	Form 12-1 BP (MM, DOI, Dual Issuer)	Form 17-A (MM, DOI, or Dual Issuer w/ Form 17-AB)	Applicable Form 17-Q

It should be emphasized that these requirements are not intended to increase the regulatory or compliance burden on issuers. Rather, they are part of an effort to simplify and calibrate the disclosure regime according to issuer size and type. Importantly, the number of forms required to be submitted per issuer remains unchanged, except for Dual Issuers who must submit an additional bond-tailored supplement along with their annual filings.

Stakeholders are invited to submit comments, inputs and recommendations on or before **09 July 2026** to policyfeedback@sec.gov.ph with subject line:

[Name of Organization] - Comments on the Public Offering Regime

Issued 24 June 2026.

SEC MEMORANDUM CIRCULAR NO. ___
Series of 2026

TO	:	**ALL CONCERNED**
SUBJECT	:	**AMENDMENTS TO THE 2015 IMPLEMENTING RULES AND REGULATIONS OF THE SECURITIES REGULATION CODE FOR THE DECOUPLING OF DEBT AND EQUITY DISCLOSURE REGIMES, ESTABLISHMENT OF A MID-MARKET ISSUANCE FRAMEWORK, CREATION OF A MEDIUM-TERM NOTE PROGRAM, AND OTHER REGISTRATION PROCESS REFORMS**

WHEREAS, Section 5 of the Securities Regulation Code (SRC) empowers the Commission to prescribe rules and regulations necessary to carry out its provisions, including rules governing the registration of securities and the periodic reporting obligations of companies;

WHEREAS, the development of a liquid and inclusive corporate bond market in the Philippines requires a disclosure framework calibrated to the needs of debt capital markets, with registration and ongoing reporting requirements that are purpose-built for bond issuers and bondholders while reducing unnecessary compliance costs for issuers without compromising investor protection;

WHEREAS, the Commission recognizes that the existing registration and periodic reporting framework under the 2015 Implementing Rules and Regulations of the SRC was designed primarily to address the disclosure needs of equity investors, and does not adequately address the distinct information needs of holders of registered debt securities, including covenant compliance, debt service coverage, creditor ranking, use-of-proceeds deployment, and trustee status;

WHEREAS, there is a need to broaden access to the public bond market by adopting a more proportionate registration framework for qualified mid-market issuers, recognizing that the fixed costs and procedural requirements of a full registration process may weigh more heavily on smaller issuance sizes and may limit the ability of creditworthy companies to raise funds through the capital markets;

WHEREAS, there is a need to enhance the efficiency and responsiveness of the securities registration framework by enabling issuers to access the market more quickly and cost-effectively, particularly when favorable market conditions arise;

WHEREAS, the Commission has determined that these amendments are necessary, appropriate, and in the public interest, and that they will promote capital market development, enhance bondholder protection, and reduce regulatory barriers to bond market access for a broader range of Philippine issuers;

WHEREAS, Section 72 of the SRC vests upon the Commission the authority to make, issue, amend, and rescind rules and regulations and orders which are necessary or appropriate to the exercise of the powers conferred upon it in the SRC;

NOW THEREFORE, BE IT RESOLVED as it is hereby resolved, that the 2015 Implementing Rules and Regulations of the SRC are hereby amended as follows:

Section 1. Insertion of new definitions (Debt-Only Issuer, Eligible Mid-Market Issuer, and Medium-Term Note Program) in the Definitions of Terms under Rule 3 of the 2015 IRR of the SRC and Renumbering of Succeeding Provisions.

New provisions under Rule 3.1. of the 2015 SRC-IRR on the Definitions of Terms are hereby introduced and succeeding provisions are hereby renumbered, as follows:

3.1.9. Debt-Only Issuer means a registrant that has registered debt securities pursuant to Section 8 of the SRC and that, as of the date of such registration and at all times thereafter during which the registration remains effective, has no class of equity securities registered or listed on any exchange, whether in the Philippines or elsewhere. A registrant that subsequently registers or lists equity securities shall cease to qualify as a Debt-Only Issuer from the date of such registration or listing, and shall comply with the reporting obligations applicable to issuers with registered equity securities from that date; provided that debt securities registered prior to such date shall remain governed by the terms of their original registration until their maturity or redemption.

3.1.10. Derivative is a financial instrument whose value changes in response to changes in a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or similar variable or underlying factor. It is settled at a future date. This term shall include, but not limited, to the following:

3.1.10.1. Options or contracts that give the buyer the right, but not the obligation, to buy or sell an underlying security at a predetermined price called the exercise or strike price, on or before a predetermined date, called the expiry date; and

3.1.10.2. Warrants or rights to subscribe or purchase new or existing shares in a company on or before a predetermined date.

3.1.11. Eligible Mid-Market Issuer means a Debt-Only Issuer that satisfies all of the following conditions as of the date of registration of its debt securities:

3.1.11.1. It has no class of equity securities registered or listed on any exchange;

3.1.11.2. It qualifies as a medium-sized enterprise as determined from its most recent audited financial statements filed with the Commission, pursuant to Republic Act No. 9501 (Magna Carta for Micro, Small and Medium Enterprises), as may be amended; and

3.1.11.3. It has obtained a credit rating from a credit rating agency accredited by the Commission in respect of the debt securities being registered.

3.1.11.4. The Commission may by Memorandum Circular prescribe additional eligibility conditions, including a ceiling on the aggregate principal amount of debt securities that may be registered under this category, and may by Memorandum Circular adjust any threshold prescribed under sub-paragraph (ii) above as market conditions require.

3.1.12. Exchange is an organized marketplace or facility that brings together buyers and sellers, and executes trades of securities and/or commodities.

3.1.13. Issuer is any entity authorized by the Commission to offer to sell, sell or promote the sale to the public of its equity, bonds, instruments of indebtedness and other forms of securities.

3.1.14. Material fact or **information** is any fact or information that may result in a change in the market price or value of any of the Issuer's securities, or may potentially affect the investment decision of an investor.

3.1.15. Medium-Term Note Program means a pre-authorized issuance facility established under SRC Rule 8.1.2.2. under which an eligible issuer may offer and sell debt securities in multiple series, each drawing against a single aggregate program limit, over a defined availability period not exceeding five (5) years. The legal documentation, disclosure framework, and program terms are established once at inception under a base prospectus authorized by the Commission; individual series may vary only as to the specific terms of each note as prescribed in the applicable registration form. The Final Terms for each series constitutes a filing with the Commission and does not require separate authorization. The Program is available to any registrant, including Debt-Only Issuers, Eligible Mid-Market Issuers, and issuers with registered equity securities. The applicable base prospectus form and disclosure requirements depend on the issuer's registration category, as prescribed in SRC Rule 8.1.2.2.

3.1.16. Non-proprietary share or **certificate** is an evidence of interest, participation or privilege over a specific property of a corporation that allows the holder of the share or certificate to use such property under certain terms and conditions. The holder, however, shall not be entitled to dividends from the corporation or to its assets upon its liquidation.

3.1.17. Organized marketplace or **organized market** is an exchange, an over-the- counter market, alternative trading system, or otherwise recognized as such by the Commission, and governed by, among others, transparent and binding rules and market conventions on membership, trading, price transparency, trade reporting, market monitoring and orderly conduct or operation of the market which are enforceable on the members and participants.

3.1.18. Proprietary share or certificate is an evidence of interest, participation or privilege in a corporation which gives the holder of the share or certificate the right to use the facilities covered by such certificate and to receive dividends or earnings from the corporation. Upon the liquidation of the corporation, the holder shall have proportionate ownership rights over its assets.

3.1.19. Public company means any corporation with a class of equity securities listed on an Exchange, or with assets in excess of Fifty Million Pesos (PhP50,000,000.00) and has two hundred (200) or more holders each holding at least one hundred (100) shares of a class of its equity securities.

3.1.20. Public offering is any offering of securities to the public or to anyone, whether solicited or unsolicited. Any solicitation or presentation of securities for sale through any of the following modes shall be presumed to be a public offering:

3.1.20.1. Publication in any newspaper, magazine or printed reading material which is distributed within the Philippines;

3.1.20.2. Presentation in any public or commercial place;

3.1.20.3. Advertisement or announcement on radio, television, telephone, electronic communications, information communication technology or any other forms of communication; or

3.1.20.4. Distribution and/or making available flyers, brochures or any offering material in a public or commercial place or to prospective purchasers through the postal system, information communication technology and other means of information distribution.

3.1.21. Registrant means an issuer of securities with respect to which a registration statement, or required issuer report has been or is to be filed.

3.1.22. Reporting company is a corporation that has sold a class of its securities pursuant to a registration under Section 12 of the Code, or a public company, as defined under SRC Rule 3.1.23.

3.1.23. Securities shall include: (a) Shares of stock, bonds, government securities, commercial papers, debentures, notes, evidences of indebtedness, asset- backed securities; (b) Investment contracts, certificates of interest or participation in a profit sharing agreement, certificates of deposit for a future subscription; (c) Fractional undivided interests in oil, gas or other mineral rights; (d) Derivatives like options and warrants; (e) Certificates of assignments, certificates of participation, trust certificates, voting trust certificates or similar instruments; (f) Proprietary or nonproprietary membership certificates in corporations; and (g) Other instruments as may in the future be determined by the Commission.

Debt securities/instruments include any evidence of indebtedness such as bonds, notes, debentures, commercial papers, treasury bills, treasury bonds and other similar instruments as may be determined by the Commission.

Equity securities include shares of stock in a corporation.

3.1.24. Securities Depository holds securities accounts, provides central safekeeping and asset services, which may include the administration of corporate actions and redemptions, and plays an important role in helping to ensure the integrity of securities issues (that is, securities are not accidentally or fraudulently created or destroyed or their details changed).

3.1.25. Self-Regulatory Organization*, or SRO,* means an organized Exchange, registered clearing agency, organization or association registered as an SRO under Section 39 of the Code, and which have been authorized by *the* Commission to: (1) enforce compliance with relevant provisions of the Code and rules and regulations adopted thereunder; (2) promulgate and enforce its own rules which have been approved by the Commission, by their members and/or participants, and; (3) enforce fair, ethical and efficient practices in the securities and commodity futures industries including securities and commodities exchanges.

3.1.26. Subsidiary is an entity, including an unincorporated entity such as partnership that is controlled by another entity (known as the parent).

3.1.27. Trading Participant is any broker dealer who has the right, *pursuant* to the rules of the Exchange or any organized market, to trade in that Exchange or organized market.

3.1.28. Transfer agent is any *person* who performs on behalf of an Issuer or by itself as Issuer any of the following activities:

> **3.1.28.1.** Countersigns, when applicable, certificates of securities upon their issuance;
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> **3.1.28.2.** Monitors the issuance of securities to prevent unauthorized issuances;
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> **3.1.28.3**. Registers the transfer of such securities;
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> **3.1.28.4.** Exchanges or converts such securities; 3.1.28.5. Records the ownership of securities by bookkeeping entry without physical issuance of securities certificates.

Section 2. Clarification of Rule 8.1.1.5 and Insertion of Rule 8.1.2.2. on Medium-Term Note Programs in the Section on Delayed and Continuous Offering and Sale of Securities under Rule 8.1.2. of the 2015 IRR of the SRC and Amendment and Renumbering of Affected Provisions.

New provisions under Rule 8.1.2. of the 2015 SRC-IRR on the Delayed and Continuous Offering and Sale of Securities are hereby introduced with additional changes to provisions on Registration Fees, and affected provisions are hereby amended and renumbered, as follows:

RULE 8.1 - Filing of Registration Statement

8.1.1. Filing of Registration Statement ("RS") and Effectivity of Offering

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8.1.1.5. The sale of the securities subject of the registration statement shall commence within ten (10) business days from the date of the effectivity of the registration statement and shall continue until the end of the offering period or until the sale is terminated by the Issuer. If the sale is not commenced within ten (10) business days, the RS shall be cancelled and all fees paid thereon forfeited.

The foregoing rule shall not apply to securities registered under SRC Rule 8.1.2., where such securities may be offered and issued in one or more tranches during the effectivity of the RS. For the Enhanced Shelf Registration, the sale of the securities in tranches shall commence within ten (10) business days from the issuance of the Permit to Sell (PTS) for the relevant tranche. If the sale is not commenced within ten (10) business days, the said PTS shall be cancelled and all fees paid thereon forfeited.

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8.1.2. Delayed and Continuous Offering and Sale of Securities ~~(Enhanced Shelf Registration)~~

Securities, which are intended to be issued in tranches at more than one instance after the RS has been rendered effective by the Commission, may be registered for an offering to be made on a continuous or delayed basis in the future, for a period not exceeding five (5) years from the effective date of the RS under which they are being offered and sold.

For the avoidance of doubt, the succeeding SRC Rules 8.1.2.1. (Enhanced Shelf Registration) and 8.1.2.2. (Medium Term Notes Program) are separate and complementary mechanisms. An issuer may elect to use either mechanism as appropriate to its funding strategy; they are not mutually exclusive. The requirements of SRC Rule 8.1.2.1., including any permit to sell requirement for subsequent tranches thereunder, do not apply to issuances under a Medium-Term Note Program established pursuant to this Rule.

8.1.2.1. Enhanced Shelf Registration

Securities offered after the initial tranche shall comply with the following requirements:

8.1.2.1.1. For each subsequent tranche after the initial offering, the issuer shall apply for a ~~Permit to Sell (~~PTS~~)~~ by filing the following documentary requirements, which shall be significantly less and more simplified than those submitted during the initial registration:

8.1.2.1.1.1. Signed and notarized SEC Form 12-1-SR and annexes, as applicable;

8.1.2.1.1.2. Updated Offering Supplement/Prospectus, which shall include only the updates from the previously filed and approved Offer Supplement and/or Prospectus. For items with no material change(s), the issuer shall state this expressly and refer to the corresponding pages of the approved Offer Supplement and/or Prospectus covering the immediately preceding tranche; and

8.1.2.1.1.3. Sworn Certificate of No Material Change for items that remained unchanged from the previously filed and approved Offer Supplement and/or Prospectus.

8.1.2.1.2. For tranche(s) after the initial offering, the issuer shall observe the following timelines:

8.1.2.1.2.a. For each subsequent tranche(s) to be offered within one (1) year from the initial tranche or the last issued tranche, as the case may be, provided that the requirement to submit new financial statements under Rule 68 of the SRC is not triggered or the Company does not file a new updated financial statement as part of the RS, the application for a PTS shall be filed not later than seven (7) calendar days prior to the commencement of the offer or sale of the said securities. Otherwise, the same application shall be filed not later than thirty (30) calendar days prior to the commencement of the offer or sale of the said securities;

8.1.1.1.2.b. For each subsequent tranche(s) to be offered more than one (1) year after the initial tranche or the last issued tranche, as the case may be, the application for a PTS shall be filed not later than thirty (30) calendar days prior to the commencement of the offer or sale of the said securities.

8.1.2.1.3. In all cases, the review period shall be reckoned from the date of complete submission of the required documents and payment of the corresponding registration fees.

8.1.2.2. Medium-Term Note Programs

8.1.2.2.1. Any registrant may establish a Medium-Term Note Program by filing a registration statement with the Commission in the form applicable to its registration category:

8.1.2.2.1.1. A Debt-Only Issuer shall file SEC Form 12-1 MTN BP DOI;

8.1.2.2.1.2. An Eligible Mid-Market Issuer shall file SEC Form 12-1 MTN MM BP; and

8.1.2.2.1.3. A registrant that has a class of equity securities registered or listed on any exchange shall file SEC Form 12-1 MTN BP Dual Issuer.

8.1.2.2.2. The registration statement shall include a base prospectus covering the program as a whole. The base prospectus is subject to Commission review and authorization in accordance with Section 12 of the SRC before any series may be issued under the program. For dual issuers, the base prospectus shall incorporate by reference the issuer-level disclosure contained in the issuer's most recent annual report on SEC Form 17-A and its most recent Annual Bond Supplement on SEC Form 17-AB, and shall set out the program mechanics, program limit, availability period, and the fixed covenant package applicable to all series issued under the program. A Medium-Term Note Program may be established by an issuer that has not previously registered any securities with the Commission; no prior public market issuance history is required.

8.1.2.2.3. The registration statement shall specify: (i) the aggregate principal amount of debt securities that may be outstanding at any time under the program (the Program Limit); and (ii) the period during which series may be issued under the program (the Availability Period). The Availability Period shall not exceed five (5) years from the date on which the base prospectus is authorized by the Commission. No series may be issued after the expiry of the Availability Period.

An issuer may apply to the Commission to amend the term options of the program, including by increasing the Program Limit, extending the Availability Period (subject to the five (5)-year maximum prescribed in this Rule), or adding categories of debt securities that may be issued under the program. Any such amendment shall be subject to the review and authorization of the Commission in the same manner as the base prospectus, and to such conditions as the Commission may prescribe. An amendment to the terms of the program shall apply only to series issued after it takes effect and shall not affect any series already issued.

8.1.2.2.4. For each series of debt securities issued under a Medium-Term Note Program, the issuer shall file with the Commission a Final Terms document in the SEC Form 12-1 MTN FT. The Final Terms sets out the series-specific terms of that issuance and is limited to the variables authorized in the base prospectus. The Final Terms document is a filing with the Commission. It does not require Commission review or authorization before the issuer may proceed to offer and sell the relevant series. The Final Terms shall be filed on or before the issue date of the relevant series.

8.1.2.2.5. An issuer that has established a Medium-Term Note Program shall comply with the annual, quarterly, and current reporting obligations under SRC Rule 17 applicable to its registration category. These obligations apply to the issuer as a registered entity and are independent of the program. They constitute the primary mechanism through which the disclosure in the base prospectus is kept current between series issuances. The Final Terms for each series supplements these obligations only as to information specific to that series.

8.1.2.2.6. The base prospectus shall be kept current throughout the Availability Period through the issuer's ongoing reporting obligations under SRC Rule 17.1.1. An issuer that is current on its reporting obligations, as applicable, shall be deemed to have maintained the base prospectus disclosure up-to-date through incorporation by reference

8.1.2.2.7. An issuer that has not kept its base prospectus current shall not issue any series under the program until it has filed an updated report or an updated base prospectus, as the Commission may require. Where a significant new factor, material mistake, or material inaccuracy affecting the base prospectus arises during the Availability Period and has not been captured through periodic or current reporting, the issuer shall file a supplement to the base prospectus with the Commission before issuing any further series.

8.1.2.2.8. In instances where the Commission identifies deficiencies, discrepancies, or incomplete information in any report filed by the Issuer, the Commission may require the Issuer to submit additional information, complete or correct such report, or provide copies of relevant documents for further review and inspection. The Issuer shall not issue any series under the Program until it has satisfactorily addressed the deficiencies or discrepancies identified by the Commission.

8.1.2.2.9. SRC Rule 14.2 shall not apply to a Medium-Term Note Program. Amendments and supplements to the base prospectus shall be governed exclusively by this SRC Rule 8.1.2.2. If a significant new factor, material inaccuracy, or material amendment to the base prospectus arises during an ongoing offer period for a series, the issuer shall file a supplement to the base prospectus with the Commission and give notice to the purchasers of that series in the manner specified in the base prospectus. Where the supplement or amendment results in a derogation of the rights of holders or purchasers of the notes of the affected series, the following shall apply:

> **8.1.2.2.9.1.** Where the changes result in a derogation of the rights of existing holders or purchasers of the debt securities of the affected series who have paid all or a portion of the purchase price, the issuer may include in the notice an offer to rescind all sales of that series completed to date, without any deduction, the payments to be returned in accordance with SRC Rule 8.1.2.2.9.2, and shall wait thirty (30) days from the date of the notice for the purchasers to respond to the rescission offer before proceeding with the amended offer of that series; and
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> **8.1.2.2.9.2.** Where the conditions in SRC Rule 8.1.2.2.9.1 are present, a purchaser may, within thirty (30) days from the date of the notice, renounce its purchase of the notes of the affected series. Upon such renunciation, the issuer, or any person acting on behalf of the issuer in connection with the distribution of the debt securities, shall, within ten (10) days from receipt of the notice of renunciation, return the payments made by the holder or purchaser. A purchaser who does not renounce its purchase of the debt securities shall be subject to the terms of the amended offer.

8.1.2.2.10. Upon expiry of the Availability Period, an issuer wishing to continue accessing the market under a Medium-Term Note Program structure shall apply to establish a new program by filing a new registration statement in the applicable form. A new base prospectus shall be required. The Commission shall prescribe by Memorandum Circular the extent to which the new base prospectus may incorporate by reference the disclosure contained in the expiring base prospectus and in the issuer's periodic reports filed since the date of the expiring base prospectus.

8.1.2.3. Registration Fees

8.1.2.3.1. Upon filing of an RS, the total registration fee shall be computed based on Section 12.5 (a) of the SRC. Notwithstanding the issuance of a PTS in the case of Medium-Term Note Programs, the registration fee shall be payable per tranche of issuance and proportional to the issued value.

8.1.2.3.2. For an MTN issuer that does not intend to issue the first series of debt securities upon registration of the program, an initial registration fee of One Hundred Thousand pesos (PhP100,000.00) or one-one-hundredth (1/100) of one percentum (1%) of the Program Limit, whichever is higher, shall be paid. The initial program-level registration fee is deductible from the registration fee of the first series of debt securities under the same program.

8.1.2.3.3. The registration fees of the subsequent tranches shall be payable within the validity of the Payment Assessment Form.

~~**8.1.2.3.** The registrant shall execute an Undertaking to pay the remaining registration fees covering the securities intended to be issued in subsequent tranche(s) after the initial RS no later than thirty (30) business days prior to the expiry of the shelf reckoned from the date of effectivity of the RS.~~

Section 3. Insertion of Rule 12.1.2.1.1. on the required Registration Statements for Different Debt Issuers in the Section on the Requirements for Registration of Commercial Papers and Bonds under Rule 12.1.2. of the 2015 IRR of the SRC.

New provisions under Rule 12.1.2. of the 2015 SRC-IRR on the Requirements for Registration of Commercial Papers and Bonds are hereby introduced to implement a proportionate disclosure framework for debt issuers. Different registration forms are prescribed for issuers with registered or listed equity securities (Dual Issuers), Debt-Only Issuers, Eligible Mid-Market Issuers, and other specialized issuers, while maintaining adequate investor protection and market transparency.

A Debt-Only Issuer registering debt securities under Sections 8 and 12 of the SRC shall file SEC Form 12-1 DOI (Registration Statement for Debt-Only Issuers) in lieu of SEC Form 12-1. SEC Form 12-1 DOI incorporates Annex C-DOI (Disclosure Requirements for Debt-Only Issuers) in lieu of Annex C. Annex C-DOI sets out disclosure requirements calibrated to the information needs of holders of debt securities, as prescribed by the Commission.

An Eligible Mid-Market Issuer registering debt securities under Sections 8 and 12 of the SRC shall file SEC Form 12-1 MM (Registration Statement for Eligible Mid-Market Issuers) in lieu of SEC Form 12-1. SEC Form 12-1 MM incorporates simplified disclosure requirements proportionate to the size and complexity of mid-market issuers, as prescribed by the Commission in Annex C-MM.

Dual issuers under Sections 8 and 12 of the SRC shall file SEC Form 12-1 and comply with Annex C and the SEC Form 17-A Bond Supplement.

The amendments to the provisions under Rule 12.1.2. are as follows:

12.1.2. Requirements for Registration of Commercial Papers and Bonds

12.1.2.1. No commercial papers or bonds shall be offered for sale to the public unless the following registration requirements are complied with:

12.1.2.1.1. A registration statement shall be filed in accordance with SRC Rule 8.1 and this Rule. The applicable forms are as follows:

12.1.2.1.1.a. SEC Form 12-1, incorporating the disclosure requirements under Annex C, for registrants that have a class of equity securities registered or listed on any exchange and that registers debt securities.

A registrant subject to this paragraph shall not use SEC Form 12-1 DOI, SEC Form 12-1 MM, SEC Form 12-1 DOI MTN BP, or SEC Form 12-1 MM MTN BP for the registration of its debt securities or the establishment of a Medium-Term Note Program. Such registrant shall use SEC Form 12-1 for standalone bond registrations and SEC Form 12-1 MTN BP (Dual Issuer) for the establishment of a Medium-Term Note Program.

12.1.2.1.1.b. SEC Form 12-1 DOI, incorporating the disclosure requirements under Annex C-DOI, for Debt-Only Issuers.

12.1.2.1.1.c. SEC Form 12-1 MM, incorporating the disclosure requirements under Annex C-MM, for Eligible Mid-Market Issuers.

12.1.2.1.1.d. Other special forms for priority sectors, and green, social, and sustainability-linked bonds.

Section 4. Additions to Rule 17.1.1. to Include the Detailed Reportorial Requirements for the New DOI and MTN Regimes and Renumbering of Affected Provisions.

New provisions under Rule 17.1.1. on Public and Reporting Companies are hereby introduced to enumerate the applicable disclosure requirements for Dual Issuers, Debt-Only Issuers, and Eligible Mid-Market Issuers.

A Debt-Only Issuer shall file an annual report on SEC Form 17-A DOI (Annual Report for Debt-Only Issuers) in lieu of SEC Form 17-A. An Eligible Mid-Market Issuer shall file an annual report on SEC Form 17-A MM (Annual Report for Eligible Mid-Market Issuers) in lieu of SEC Form 17-A. SEC Form 17-AB (Annual Bond Supplement), shall also be filed concurrently with SEC Form 17-A by any Dual Issuer that has outstanding registered debt securities as of the last day of its fiscal year. These forms shall be prescribed by the Commission and shall be oriented to the information needs of holders of debt securities, including standardized credit metric templates, covenant compliance disclosure, and debt serviceability analysis.

A Debt-Only Issuer shall file quarterly reports on SEC Form 17-Q DOI (Quarterly Report for Debt-Only Issuers) in lieu of SEC Form 17-Q. An Eligible Mid-Market Issuer shall file quarterly reports on SEC Form 17-Q MM (Quarterly Report for Eligible Mid-Market Issuers) in lieu of SEC Form 17-Q.

All issuers, including Debt-Only and Eligible Mid-Market Issuers shall file current reports through the amended SEC Form 17-C.

The amendments to the provisions under Rule 17.1.1. are as follows:

17.1.1. Public and Reporting Companies

This SRC Rule shall apply to all public and reporting companies as defined in SRC Rule 3. However, the obligation of a company which has sold a class of its securities pursuant to a registration under Section 12 of the Code shall be suspended for any fiscal year if, as of the first day of any such fiscal year, it has less than one hundred (100) holders of such class of securities and the Commission is notified of that fact. The suspension shall be availed of only after the year the registration became effective.

17.1.1.1. Reportorial requirements shall be prescribed by the Commission and shall be structured to take into account the characteristics of the issuers and the nature of offered securities. ~~The public~~ Public and reporting companies shall file with the Commission:

17.1.1.1.1. For the fiscal year in which the registration statement is rendered effective by the Commission, and for each fiscal year thereafter, issuers shall file an **annual report** within one hundred five (105) calendar days after the end of the fiscal year, using the applicable form as follows:

17.1.1.1.1.1. SEC Form 17-A – for all issuers other than Debt-Only Issuers and Eligible Mid-Market Issuers.

17.1.1.1.1.1.a. Issuers that have a class of equity securities registered or listed on any exchange and registered debt securities shall also comply with Annex C-Bond Supplement.

17.1.1.1.1.1.b. The bond-specific disclosure required by Annex C-Bond Supplement shall be incorporated into periodic reporting through SEC Form 17-AB (Annual Bond Supplement), which shall be filed concurrently with SEC Form 17-A by any registrant subject to this sub-rule that has outstanding registered debt securities as of the last day of its fiscal year. SEC Form 17-AB is an annual filing only.

17.1.1.1.1.2. SEC Form 17-A DOI (Annual Report for Debt-Only Issuers) – for Debt-Only Issuers.

17.1.1.1.1.3. SEC Form 17-A MM (Annual Report for Eligible Mid-Market Issuers) – for Eligible Mid-Market Issuers.

17.1.1.1.2. For each of the first three quarters of every fiscal year, all public and reporting companies shall file a **quarterly report** within forty-five (45) calendar days after the end of the applicable quarter. The first quarterly report of the Issuer shall be filed either within forty five (45) calendar days after the effective date of the registration statement or on or before the date on which such report would have been required to be filed if the Issuer had been required previously to file reports on SEC Form 17- Q, whichever is later, using The applicable forms are as follows:

17.1.1.1.2.1. SEC Form 17-Q – for all issuers other than Debt-Only Issuers and Eligible Mid-Market Issuers.

17.1.1.1.2.2. SEC Form 17-Q DOI (Quarterly Report for Debt-Only Issuers) – for Debt-Only Issuers.

The second quarterly report (covering the period ending on the last day of the second fiscal quarter) shall include a management's discussion and analysis in the form prescribed by Part III, Paragraph (A) of Annex C-DOI, oriented to the information needs of bondholders. The management's discussion and analysis is not required for the first and third quarterly reports of a Debt-Only Issuer.

17.1.1.1.2.3. SEC Form 17-Q MM (Quarterly Report for Eligible Mid-Market Issuers) – for Eligible Mid-Market Issuers.

The second quarterly report shall include a management's discussion and analysis in the compressed form prescribed by Part IV of Annex C-MM, focused on debt serviceability, covenant compliance status, and material developments affecting debt service capacity. The management's discussion and analysis is not required for the first and third quarterly reports of an Eligible Mid-Market Issuer.

17.1.1.1.3(a). A **current report** on SEC Form 17-C, as may be necessary, to make a full, fair and accurate disclosure to the public of every material fact or event that occurs which would reasonably be expected to affect the investors' decisions in relation to those securities. In the event a news report appears in the media involving an alleged material event, all public and reporting companies, including Debt-Only and Eligible Mid-Market Issuers, shall file a current report shall be made within the period prescribed herein in order to clarify the said news item which may create public speculation if not officially denied or clarified by the concerned company.

17.1.1.1.3(b). The disclosure required by SRC Rule 17.1.1.1.3(a) shall be made by the company in accordance with the following guidelines:

17.1.1.1.3(b).1. Promptly to the public through the news media;

17.1.1.1.3(b).2. If the Issuer is listed on an Exchange, to that Exchange and to the Commission **within ten (10) minutes** after the occurrence of the event and prior to its release to the public through the news media; Provided that, disclosure by the Issuer to the Exchange may be deemed as filing with the Commission pursuant to a Memorandum of Agreement between the Exchange and the Commission; Provided further that, the Memorandum of Agreement shall provide for the ability of the Commission to download and upload the same information made available to the Exchange;

17.1.1.1.3(b).3. If the issuer is not listed on an Exchange, to the Commission through SEC Form 17-C **within five (5) calendar days** after the occurrence of the event reported, unless substantially similar information as that required by Form 17- C has been previously reported to the Commission by the Issuer.

17.1.1.1.4. A Debt-Only Issuer or Eligible Mid-Market Issuer that subsequently registers or lists equity securities shall, from the date of such registration or listing, comply with the periodic reporting obligations applicable to issuers with registered equity securities, in lieu of the obligations under this sub-rule. The issuer shall file current reports on SEC Form 17-C covering all reportable events applicable to it, including universal events, equity-specific events, and, where the issuer has outstanding registered debt securities, debt-specific events. Current reports shall be filed in accordance with the deadlines prescribed under SRC Rule 17.1.1.1.3(b).

17.1.1.1.5. For the avoidance of doubt, the transition to the equity reporting regime shall take effect at the commencement of the next reporting period beginning after the date of such registration or listing.

Section 5. Addition of a New Provision under Rule 12.2 to Exempt MTN Programs from the Limitations of Applying Incorporation by Reference to Update the Prospectus.

A new provision is hereby introduced under Rule 12.2 of the 2015 SRC-IRR to exempt Medium-Term Note (MTN) Programs from the general prohibition on the incorporation by reference of information into a prospectus, thereby allowing the base prospectus of an MTN Program to be updated through reports subsequently filed with the Commission.

RULE 12.2 - Incorporation by Reference

12.2.1. Except for information filed as an exhibit, as provided for in SRC Rule 12.2.3, or is required to be contained in the prospectus subject of SRC Rule 12.2.4, information may be incorporated by reference to fully or partially answer any item of a registration statement filed pursuant to SRC Rule 8 or a report filed pursuant to SRC Rule 17.1 subject to the following provisions:

12.2.1.1. Financial statements incorporated by reference shall satisfy the requirements of the form or report in which they are incorporated. Financial statements or other financial data required to be given in comparative form for two (2) or more fiscal years or periods shall not be incorporated by reference unless the material incorporated by reference includes the entire period for which the comparative data are given;

12.2.1.2. Information in any part of the registration statement or other reports may be incorporated by reference to fully or partially answer any other item of the registration statement or other report; and

12.2.1.3. Copies of any information or financial statements incorporated into a registration statement or other report by reference, or copies of the pertinent pages of the document containing such information or statements, shall be filed as an exhibit to the statement or report.

12.2.2. All materials incorporated by reference shall be clearly identified by page, paragraph, caption or other means of identification. If only certain pages of a document are incorporated by reference and filed as an exhibit, the document from which the material was taken shall be clearly identified in the reference. An express statement that the specified matter is incorporated by reference shall be made at the particular place in the statement or report where the information is required. A matter shall not be incorporated by reference in any case if such incorporation would render the statement or report incomplete, unclear or confusing.

12.2.3. Incorporation of Exhibits by Reference

12.2.3.1. Any document or parts of it that have been filed with the Commission pursuant to the Code may be incorporated by reference as an exhibit to any statement or report filed with the Commission by the same or any other person. Any document or parts of it that are filed with an Exchange pursuant to the Code may be incorporated by reference as an exhibit to any statement or report filed with that Exchange by the same or any other person.

12.2.3.2. If any modification has been made in the text of any document incorporated by reference since its filing, the Issuer shall file with the reference a statement containing the text of any such modification and its date.

12.2.4. Information shall not be incorporated by reference in a prospectus.

12.2.5. Notwithstanding the foregoing, an Issuer maintaining an effective Medium-Term Note (MTN) Program may incorporate by reference into its base prospectus any information and exhibits contained in reports filed pursuant to SRC Rule 17.1.1., provided that such reports have been duly filed with the Commission and clearly identified in the relevant base prospectus. The use of incorporation by reference for MTN Programs shall be governed by SRC Rule 8.1.2.2 and the applicable provisions governing shelf registrations and continuous offerings.

Section 6. Amendments to Rule 12.5(B) to Enhance the Requirements for Publication and Posting of Notice of Filing of the Registration Statement.

Changes to Rule 12.5(B) of the 2015 SRC-IRR are hereby introduced to require the publication of the Notice of Filing of its Registration Statement through online disclosure channels and to provide that publication in a newspaper of general circulation shall be required only when deemed necessary by the Commission.

RULE 12.5 (B) - Publication and Posting of Notice of Filing

12.5(b).1. The Issuer shall prepare and file with its registration statement a notification of such filing, in the form prescribed in Annex "A," stating that ~~which shall state that~~ (a) a registration statement for the sale of the subject security has been filed with the Commission; (b) ~~that~~ the registration statement is open for inspection by interested parties during business hours at the Commission; and (c) that copies shall be furnished to anyone requesting them for a reasonable cost. The notice shall be signed by the Director of the department concerned or any officer designated by the Commission. ~~The Issuer shall, upon or before filing, publish the notice, at its own expense, in two (2) national newspapers of general circulation once a week for two (2) consecutive weeks and post the said notice and updated prospectus in its website. The required format for this notice is shown in "Annex A."~~

Upon or before filing of the registration statement, the Issuer shall cause the publication of the notice, at its own expense, through either of the following modes:

(a) Online publication, by:

(i) posting the notice and the updated prospectus on the Issuer's website;

(ii) submitting the notice to the Commission for publication on the Commission's official website; and

(iii) where applicable, submitting the notice and updated prospectus to the Exchange where the securities are or will be listed, for publication through the disclosure facilities of such Exchange; or

(b) Newspaper publication, by publishing the notice in a national newspaper of general circulation, where required by the Commission.

For avoidance of doubt, compliance with either the online publication requirement under paragraph (a) or the newspaper publication requirement under paragraph (b) shall satisfy the publication requirement under this provision, unless the Commission expressly requires otherwise.

12.5(b).1.1. In the choice of the newspaper where the notice shall be published, the Issuer shall take into account the following considerations:

12.5(b).1.1.1. The notice shall likely be read by the persons who may be interested in or whose interests would be affected by the registration statement;

12.5(b).1.1.2. The national newspaper of general circulation is published at regular intervals, preferably five (5) times a week;

12.5(b).1.1.3. The newspaper must not be devoted to the interests of or published for the entertainment of a particular class, profession, trade, calling, race or religious denomination.

12.5(b).1.2. The burden of proof of showing satisfactory compliance with the notice requirement shall rest with the Issuer and the Commission may order a republication and/or re-posting of the notice if, in its judgment, the objective of the notice requirement has not been met.

12.5(b).2. As part of its registration statement, the Issuer shall submit ~~to the Commission~~ evidence of compliance with the foregoing online publication and posting requirements, including, as applicable, certifications of website postings and proof of dissemination through the disclosure facilities of an Exchange. Where newspaper publication is required by the Commission, the Issuer shall also submit an affidavit of publication with a copy of the notice that was published or a copy of the pro-forma notice to be published, with the attestation that the publication has been or will be immediately undertaken.

12.5(b).3. The order of the Commission rendering effective the registration statement shall, at the expense of the Issuer, be ~~published in a national newspaper of general circulation and~~ uploaded in its website within two (2) business days from its issuance.

Section 7. Amendments to Rule 14 to Clarify the Temporal Scope of the Obligation to Amendments to the Registration Statement and Prospectus and to Enhance the Requirements for the Dissemination of Such Amendments.

Changes to Rule 14 of the 2015 SRC-IRR are hereby introduced to clarify the temporal scope of the amendment mechanism described in Rule 14.2, require the publication of the notice of its proposed amendments to its Registration Statement and Prospectus through online disclosure channels, and limit the requirement for newspaper publication only to instances where the Commission deems it necessary.

RULE 14 - Amendments on the Registration Statement and Prospectus

14.1. For purposes of this Rule, material information shall include, but not be limited to, the following:

14.1.1. Any event or transaction which increases or creates a risk on the investments or on the securities covered by the registration;

14.1.2. Increase or decrease in the volume of the securities being offered at an issue price higher or lower than the range set and disclosed in the registration statement and which results to a derogation of the rights of existing security holders, as may be determined by the Commission;

14.1.3. Major change in the primary business of the Issuer;

14.1.4. Reorganization of the company;

14.1.5. Loss, deterioration or substitution of the property underlying the securities;

14.1.6. Ten percent (10%) or more change in the financial condition or results of operation of the Issuer unless a report to that effect has been filed with the Commission and furnished the prospective purchaser;

14.1.7. Classification, de-classification or re-classification of securities which results to the derogation of the rights of existing security holders, as may be determined by the Commission.

14.2. If, at any time from the effectivity of a registration statement or prospectus ~~on file with the Commission~~ until the closing of the offer period or the completion of the distribution of the securities covered, whichever is later, the registration statement or prospectus, becomes incomplete or inaccurate in any material respect or if the Issuer wants to change any material information therein after a current report or SEC Form 17-C has been filed, the Issuer shall:

14.2.1. File an amendment to the registration statement with the Commission explaining in detail all proposed changes which shall be reviewed by the Commission in accordance with Section 14 of the Code;

14.2.2. If the registration statement has been declared effective by the Commission, publish a notice of the proposed amendment/s, including the reasons for the amendments, on the Issuer's website, on the Commission's official website, through the disclosure facilities of the relevant Exchange, where applicable, or in two (2) national newspapers of general circulation in the Philippines, where required by the Commission, stating that the offering in its current form has been amended;

14.2.3. If the changes shall result in a derogation of the rights of existing security holders or purchasers of securities or, membership certificates who have paid a portion of the selling price, the Issuer may include in the above- mentioned publication an offer to rescind all transactions that have been completed for sale to date, without making any deduction pursuant to SRC Rule 14.2.4 and wait for thirty (30) days for the purchasers to respond to the rescission offer before initiating the amended offering;

14.2.4. If the conditions under SRC Rule 14.2.3 are present, the purchasers may, within thirty (30) days from the date of such notification, renounce their purchase of the said securities. Upon such renunciation, the Issuer, or any person acting on behalf of the Issuer in connection with the distribution of the said securities, shall, within ten (10) days from receipt of notification of such election, return the payments made by security holders or purchasers of securities, or membership certificates. Purchasers who decide not to renounce their purchase of securities shall be subject to the terms of the amended offering; and

14.2.5. In case of an increase in the volume or offering price of the securities to a level higher than the range previously disclosed by the Issuer, the amended registration statement or prospectus shall be accompanied by a filing fee based on the difference between the highest aggregate amount in relation to the previous range and the total amount based on the new volume or price. For amendments other than the offering price, the filing fee for the amended registration statement or prospectus shall be in such amount as the Commission may determine.

14.3. If the Commission learns that the prospectus is on its face incomplete or inaccurate in any material respect, or there is a material omission in it, it may require Issuer to comply with SRC Rule 14.2, or suspend or revoke its registration under Section 13 or 15 of the Code.

14.4. If non-material information stated in the prospectus changes, the Issuer shall file a report on SEC Form 17-C on the said changes prior to making any amendments in the registration statement. The proposed amendments shall be considered part of the original disclosure unless the Commission, within twenty (20) business days from receipt of such report, requires the Issuer to explain such changes.

14.5. Every amendment of a registration statement shall be signed by the persons specified in Section 12.4 of the Code or by any executive officer duly authorized by the board of directors. The final registration statement and prospectus shall, however, be signed by all the required signatories under Section 12.4 of the Code.

14.6. The Issuer shall file with the Commission one (1) complete, unmarked copy of every amendment, including exhibits and other papers and documents filed as part of the amendment and one (1) additional copy, marked to indicate clearly and precisely, by underlining or in some other appropriate manner, the changes effected in the registration statement by the amendment. Four (4) copies of the amended registration statement and prospectus shall be signed by the required signatories and filed with the Commission.

14.7. A copy of every amendment relating to a certified financial statements shall include the consent of the certifying accountant on the use of his certificate in the amended financial statements in the registration statement or prospectus and to being named as having certified such financial statements.

14.8. The date on which the amendments are received by the Commission shall be considered their date of filing if all the requirements of the Code and these Rules have been complied with.

14.9. The Commission may, taking into consideration the interests of the investors, ~~order the~~ require the dissemination of its order rendering the amended registration statement effective through the publication in the Issuer's website; the disclosure facilities of the relevant Exchange, where applicable; or in a national newspaper of general circulation~~. of its order rendering effective the amended registration statement.~~

Section 8. Repealing Clause

All rules, regulations, circulars, orders, and issuances or parts thereof inconsistent with the provisions of this Resolution are hereby repealed, amended, or modified accordingly.

Section 9. Separability Clause

If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, the other provisions of this Resolution and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 10. Transitory Provisions

For existing issuers already subject to the registration and reporting requirements of the 2015 SRC-IRR, compliance with the revised reporting forms and disclosure requirements shall be phased in as follows:

a. Amended SEC Form 17-C for all issuers – beginning 1 January 2027;
b. SEC Form 17-Q DOI and SEC Form 17-Q MM – beginning on the first quarter of 2027 and for all subsequent quarterly periods; and
c. SEC Form 17-A DOI, SEC Form 17-A MM, and SEC Form 17-AB (for Dual Issuers) – beginning in 2028 for annual reports covering fiscal years ending on or after 31 December 2027 and for all subsequent yearly periods.

Registration statements filed with the Commission prior to the effectivity of this Memorandum Circular that have not yet been rendered effective, shall be processed under the registration requirements in effect at the time of filing, unless the registrant elects to amend its filing to comply with the requirements prescribed herein.

Section 11. Effectivity

This Resolution shall take effect fifteen (15) days after its publication in a newspaper of general circulation in the Philippines or in the Official Gazette, whichever comes earlier.

RULE 3 - Definition of Terms

3.1. As used in these Rules, unless the context provides otherwise:

3.1.1. **Associate** is an entity, including an unincorporated entity such as partnership, over which the investor has significant influence and that is neither a subsidiary or an interest in a joint venture.

3.1.2. **Beneficial owner** or **beneficial ownership** means any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power (which includes the power to vote or direct the voting of such security) and/or investment returns or power (which includes the power to dispose of, or direct the disposition of such security); provided, that a person shall be deemed to have an indirect beneficial ownership interest in any security which is:

3.1.2.1. held by members of his immediate family sharing the same household;

3.1.2.2. held by a partnership in which he is a general partner;

3.1.2.3. held by a corporation in which he is a controlling shareholder; or

3.1.2.4. subject to any contract, arrangement or understanding which gives him voting power or investment power with respect to such securities; provided, that the following persons or institutions shall not be deemed to be beneficial owners of securities held by them for the benefit of third parties or in customer or fiduciary accounts in the ordinary course of business, as long as such shares were acquired by such persons or institutions without the definite and/or clear intention of effecting a change or influencing the control of the Issuer:

3.1.2.4.1. A broker dealer;

3.1.2.4.2. An investment house registered under the Investment Houses Law;

3.1.2.4.3. A bank authorized to operate by the Bangko Sentral ng Pilipinas ("BSP");

3.1.2.4.4. A duly-registered insurance company;

3.1.2.4.5. An investment company registered under the Investment Company Act;

3.1.2.4.6. A pension plan registered with and regulated by the Bureau of Internal Revenue, Insurance Commission or any other regulatory authority; and

3.1.2.4.7. An entity whose members are the persons specified above.

All securities of the same class that are beneficially owned by a person, regardless of the form of the beneficial ownership, shall be aggregated in calculating the number of shares that shall be considered as beneficially owned by such person.

A person shall be deemed to be the beneficial owner of a security if that person has the right to acquire beneficial ownership within thirty (30) days from the exercise of any option, warrant or right, or conversion of any security; or pursuant to the power to revoke a trust, discretionary account or similar arrangement; or pursuant to the automatic termination of a trust, discretionary account or similar arrangement.

3.1.3. **Bill of Exchange** is an unconditional order in writing addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain in money to order or to bearer.

3.1.4. **Clearing agency** is any entity that provides a facility for the performance of the following activities:

3.1.4.1. Make deliveries of securities and/or payments in connection with transactions in securities;

3.1.4.2. Reduce the number of settlements of securities transactions or allocate settlement responsibilities in accordance with the rules issued by the Commission or the Exchange; and/or

3.1.4.3. Provide the means for the central handling of securities so that transfers, loans, pledges and similar transactions can be made by bookkeeping entry; or otherwise facilitate the settlement of securities transactions without physical delivery of securities certificates.

As used in this Rule, "facility" includes a clearing agency's systems, processes or services and all the properties necessary to operate such systems, processes or services, whether within or outside its specific physical location, for the performance of any or all the activities enumerated in the immediately preceding SRC Rule, as may be authorized by the Commission.

3.1.5. **Code** means the Securities Regulation Code.

3.1.6. **Commercial paper** means an evidence of indebtedness of any person with a maturity of three hundred and sixty-five (365) days or less.

3.1.7. **Commission** means the Securities and Exchange Commission.

3.1.8. **Control** is the power to determine the financial and operating policies of an entity in order to benefit from its activities. It is presumed to exist when the parent entity owns, directly or through subsidiaries and/or associates, more than fifty percent (50%) of the voting power of an entity. It also exists when the parent entity owns fifty percent (50%) or less of the voting power of an entity, but has any of the following powers:

3.1.8.1. Over more than fifty percent (50%) of the voting rights by virtue of an agreement with other investors;

3.1.8.2. To govern the financial and operating policies of the entity under a statute or agreement;

3.1.8.3. To appoint or remove the majority of the members of the board of directors or equivalent governing body; or

3.1.8.4. To cast the majority of votes at meetings of the board of directors or equivalent governing body.

3.1.9. **Debt-Only Issuer** means a registrant that has registered debt securities pursuant to Section 8 of the SRC and that, as of the date of such registration and at all times thereafter during which the registration remains effective, has no class of equity securities registered or listed on any exchange, whether in the Philippines or elsewhere. A registrant that subsequently registers or lists equity securities shall cease to qualify as a Debt-Only Issuer from the date of such registration or listing, and shall comply with the reporting obligations applicable to issuers with registered equity securities from that date; provided that debt securities registered prior to such date shall remain governed by the terms of their original registration until their maturity or redemption.

3.1.10. **Derivative** is a financial instrument whose value changes in response to changes in a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or similar variable or underlying factor. It is settled at a future date. This term shall include, but not limited, to the following:

3.1.10.1. Options or contracts that give the buyer the right, but not the obligation, to buy or sell an underlying security at a predetermined price called the exercise or strike price, on or before a predetermined date, called the expiry date; and

3.1.10.2. Warrants or rights to subscribe or purchase new or existing shares in a company on or before a predetermined date.

3.1.11. **Eligible Mid-Market Issuer** means a Debt-Only Issuer that satisfies all of the following conditions as of the date of registration of its debt securities:

3.1.11.1. It has no class of equity securities registered or listed on any exchange;

3.1.11.2. It qualifies as a medium-sized enterprise as determined from its most recent audited financial statements filed with the Commission, pursuant to Republic Act No. 9501 (Magna Carta for Micro, Small and Medium Enterprises), as may be amended; and

3.1.11.3. It has obtained a credit rating from a credit rating agency accredited by the Commission in respect of the debt securities being registered.

3.1.11.4. The Commission may by Memorandum Circular prescribe additional eligibility conditions, including a ceiling on the aggregate principal amount of debt securities that may be registered under this category, and may by Memorandum Circular adjust any threshold prescribed under sub-paragraph (ii) above as market conditions require.

3.1.12. **Exchange** is an organized marketplace or facility that brings together buyers and sellers, and executes trades of securities and/or commodities.

3.1.13. **Issuer** is any entity authorized by the Commission to offer to sell, sell or promote the sale to the public of its equity, bonds, instruments of indebtedness and other forms of securities.

3.1.14. **Material fact** or **information** is any fact or information that may result in a change in the market price or value of any of the Issuer's securities, or may potentially affect the investment decision of an investor.

3.1.15. **Medium-Term Note Program** means a pre-authorized issuance facility established under SRC Rule 8.1.2.2. under which an eligible issuer may offer and sell debt securities in multiple series, each drawing against a single aggregate program limit, over a defined availability period not exceeding five (5) years. The legal documentation, disclosure framework, and program terms are established once at inception under a base prospectus authorized by the Commission; individual series may vary only as to the specific terms of each note as prescribed in the applicable registration form. The Final Terms for each series constitutes a filing with the Commission and does not require separate authorization. The Program is available to any registrant, including Debt-Only Issuers, Eligible Mid-Market Issuers, and issuers with registered equity securities. The applicable base prospectus form and disclosure requirements depend on the issuer's registration category, as prescribed in SRC Rule 8.1.2.2.

3.1.16. **Non-proprietary share** or **certificate** is an evidence of interest, participation or privilege over a specific property of a corporation that allows the holder of the share or certificate to use such property under certain terms and conditions. The holder, however, shall not be entitled to dividends from the corporation or to its assets upon its liquidation.

3.1.17. **Organized marketplace** or **organized market** is an exchange, an over-the- counter market, alternative trading system, or otherwise recognized as such by the Commission, and governed by, among others, transparent and binding rules and market conventions on membership, trading, price transparency, trade reporting, market monitoring and orderly conduct or operation of the market which are enforceable on the members and participants.

3.1.18. **Proprietary share or certificate** is an evidence of interest, participation or privilege in a corporation which gives the holder of the share or certificate the right to use the facilities covered by such certificate and to receive dividends or earnings from the corporation. Upon the liquidation of the corporation, the holder shall have proportionate ownership rights over its assets.

3.1.19. Public company means any corporation with a class of equity securities listed on an Exchange, or with assets in excess of Fifty Million Pesos (PhP50,000,000.00) and has two hundred (200) or more holders each holding at least one hundred (100) shares of a class of its equity securities.

3.1.20. Public offering is any offering of securities to the public or to anyone, whether solicited or unsolicited. Any solicitation or presentation of securities for sale through any of the following modes shall be presumed to be a public offering:

3.1.20.1. Publication in any newspaper, magazine or printed reading material which is distributed within the Philippines;

3.1.20.2. Presentation in any public or commercial place;

3.1.20.3. Advertisement or announcement on radio, television, telephone, electronic communications, information communication technology or any other forms of communication; or

3.1.20.4. Distribution and/or making available flyers, brochures or any offering material in a public or commercial place or to prospective purchasers through the postal system, information communication technology and other means of information distribution.

3.1.21. Registrant means an issuer of securities with respect to which a registration statement, or required issuer report has been or is to be filed.

3.1.22. Reporting company is a corporation that has sold a class of its securities pursuant to a registration under Section 12 of the Code, or a public company, as defined under SRC Rule 3.1.23.

3.1.23. Securities shall include: (a) Shares of stock, bonds, government securities, commercial papers, debentures, notes, evidences of indebtedness, asset- backed securities; (b) Investment contracts, certificates of interest or participation in a profit sharing agreement, certificates of deposit for a future subscription; (c) Fractional undivided interests in oil, gas or other mineral rights; (d) Derivatives like options and warrants; (e) Certificates of assignments, certificates of participation, trust certificates, voting trust certificates or similar instruments; (f) Proprietary or nonproprietary membership certificates in corporations; and (g) Other instruments as may in the future be determined by the Commission.

Debt securities/instruments include any evidence of indebtedness such as bonds, notes, debentures, commercial papers, treasury bills, treasury bonds and other similar instruments as may be determined by the Commission.

Equity securities include shares of stock in a corporation.

3.1.24. Securities Depository holds securities accounts, provides central safekeeping and asset services, which may include the administration of corporate actions and redemptions, and plays an important role in helping to ensure the integrity of securities issues (that is, securities are not accidentally or fraudulently created or destroyed or their details changed).

3.1.25. Self-Regulatory Organization*,* or *SRO,* means an organized Exchange, registered clearing agency, organization or association registered as an SRO under Section 39 of the Code, and which have been authorized by *the* Commission to: (1) enforce compliance with relevant provisions of the Code and rules and regulations adopted thereunder; (2) promulgate and enforce its own rules which have been approved by the Commission, by their members and/or participants, and; (3) enforce fair, ethical and efficient practices in the securities and commodity futures industries including securities and commodities exchanges.

3.1.26. **Subsidiary** is an entity, including an unincorporated entity such as partnership that is controlled by another entity (known as the parent).

3.1.27. **Trading Participant** is any broker dealer who has the right, *pursuant* to the rules of the Exchange or any organized market, to trade in that Exchange or organized market.

3.1.28. **Transfer agent** is any *person* who performs on behalf of an Issuer or by itself as Issuer any of the following activities:

3.1.28.1. Countersigns, when applicable, certificates of securities upon their issuance;

3.1.28.2. Monitors the issuance of securities to prevent unauthorized issuances;

3.1.28.3. Registers the transfer of such securities;

3.1.28.4. Exchanges or converts such securities;

3.1.28.5. Records the ownership of securities by bookkeeping entry without physical issuance of securities certificates.

3.2. Unless otherwise specifically stated, the terms used in these Rules shall have the meaning provided in the Code.

3.3. A person, under these Rules, refers to natural or juridical persons depending on the context it is used. All references to the masculine gender in these Rules shall likewise cover the feminine gender.

"**Days**" shall be understood to be calendar days, unless the rules specifically state "business days" which shall be computed according to the number of working days of the Commission.

3.4. A rule or regulation which defines a term without express reference to the Code or these Rules, or any of its parts, shall be considered as defining such term for all purposes as used in the Code and in these Rules, unless the context specifically requires otherwise.

Annex A
Affected Rules

TITLE III
Registration of Securities

RULE 8.1 - Filing of Registration Statement

8.1.1. Filing of Registration Statement ("RS") and Effectivity of Offering

8.1.1.1. No securities shall be sold or offered for sale, or distributed by any person or entity within the Philippines unless such securities are duly registered with the Commission through Form 12-1, and the registration statement has been declared effective by the Commission except of a class exempt under Section 9 of the Code or unless sold in any transaction exempt under Section 10 thereof and these Rules. No information relating to an offering of securities shall be disseminated unless a registration statement has been filed with the Commission and the written communication proposed to be released contains the required information under SRC Rule 8.3.

8.1.1.2. All outstanding shares of the following corporations shall be registered with the Commission:

8.1.1.2.1. Corporations that will conduct Initial Public Offerings:

8.1.1.2.2. Corporations that will apply for listing on an Exchange by way of introduction.

8.1.1.3. No registration shall be required for the outstanding shares of reporting corporations with shares already listed on an Exchange that were not registered with the Commission pursuant to Section 5 (a) (3) of the Revised Securities Act, now Section 9.1 (e) of the Code.

8.1.1.4. If the securities subject of a registration statement are intended to be listed on an Exchange, a copy of the registration statement and all other pertinent documents, including any amendments, shall be filed with that Exchange. Two (2) copies of the application for listing shall also be filed with the Commission.

8.1.1.5. The sale of the securities subject of the registration statement shall commence within ten (10) business days from the date of the effectivity of the registration statement and shall continue until the end of the offering period or until the sale is terminated by the Issuer. If the sale is not commenced within ten (10) business days, the RS shall be cancelled and all fees paid thereon forfeited.

The foregoing rule shall not apply to securities registered under SRC Rule 8.1.2., where such securities may be offered and issued in one or more tranches during the effectivity of the RS. For the Enhanced Shelf Registration, the sale of the securities in tranches shall commence within ten (10) business days from the issuance of the Permit to Sell (PTS) for the relevant tranche. If the sale is not commenced within ten (10) business days, the said PTS shall be cancelled and all fees paid thereon forfeited.

8.1.1.6. A written notification of completion or termination of the offering shall be filed by the Issuer with the Commission within three (3) business days from such completion or termination, and the notice shall state the number of securities sold.

8.1.2. Delayed and Continuous Offering and Sale of Securities ~~(Enhanced Shelf Registration)~~

Securities, which are intended to be issued in tranches at more than one instance after the RS has been rendered effective by the Commission, may be registered for an offering to be made on a continuous or delayed basis in the future, for a period not exceeding five (5) years from the effective date of the RS under which they are being offered and sold.

For the avoidance of doubt, the succeeding SRC Rules 8.1.2.1. (Enhanced Shelf Registration) and 8.1.2.2. (Medium Term Notes Program) are separate and complementary mechanisms. An issuer may elect to use either mechanism as appropriate to its funding strategy; they are not mutually exclusive. The requirements of SRC Rule 8.1.2.1., including any permit to sell requirement for subsequent tranches thereunder, do not apply to issuances under a Medium-Term Note Program established pursuant to this Rule.

8.1.2.1. Enhanced Shelf Registration

Securities offered after the initial tranche shall comply with the following requirements:

8.1.2.1.1. For each subsequent tranche after the initial offering, the issuer shall apply for a ~~Permit to Sell (~~PTS~~)~~ by filing the following documentary requirements, which shall be significantly less and more simplified than those submitted during the initial registration:

8.1.2.1.1.1. Signed and notarized SEC Form 12-1-SR and annexes, as applicable;

8.1.2.1.1.2. Updated Offering Supplement/Prospectus, which shall include only the updates from the previously filed and approved Offer Supplement and/or Prospectus. For items with no material change(s), the issuer shall state this expressly and refer to the corresponding pages of the approved Offer Supplement and/or Prospectus covering the immediately preceding tranche; and

8.1.2.1.1.3. Sworn Certificate of No Material Change for items that remained unchanged from the previously filed and approved Offer Supplement and/or Prospectus.

8.1.2.1.2. For tranche(s) after the initial offering, the issuer shall observe the following timelines:

8.1.2.1.2.a. For each subsequent tranche(s) to be offered within one (1) year from the initial tranche or the last issued tranche, as the case may be, provided that the requirement to submit new financial statements under Rule 68 of the SRC is not triggered or the Company does not file a new updated financial statement as part of the RS, the application for a PTS shall be filed not later than seven (7) calendar days prior to the commencement of the offer or sale of the said securities. Otherwise, the same application shall be filed not later than thirty (30) calendar days prior to the commencement of the offer or sale of the said securities;

8.1.2.1.2.b. For each subsequent tranche(s) to be offered more than one (1) year after the initial tranche or the last issued tranche, as the case may be, the application for a PTS shall be filed not later than thirty (30) calendar days prior to the commencement of the offer or sale of the said securities.

8.1.2.1.3. In all cases, the review period shall be reckoned from the date of complete submission of the required documents and payment of the corresponding registration fees.

8.1.2.2. Medium-Term Note Programs

8.1.2.2.1. Any registrant may establish a Medium-Term Note Program by filing a registration statement with the Commission in the form applicable to its registration category:

8.1.2.2.1.1. A Debt-Only Issuer shall file SEC Form 12-1 MTN BP DOI;

8.1.2.2.1.2. An Eligible Mid-Market Issuer shall file SEC Form 12-1 MTN MM BP; and

8.1.2.2.1.3. A registrant that has a class of equity securities registered or listed on any exchange shall file SEC Form 12-1 MTN BP Dual Issuer.

8.1.2.2.2. The registration statement shall include a base prospectus covering the program as a whole. The base prospectus is subject to Commission review and authorization in accordance with Section 12 of the SRC before any series may be issued under the program. For dual issuers, the base prospectus shall incorporate by reference the issuer-level disclosure contained in the issuer's most recent annual report on SEC Form 17-A and its most recent Annual Bond Supplement on SEC Form 17-AB, and shall set out the program mechanics, program limit, availability period, and the fixed covenant package applicable to all series issued under the program. A Medium-Term Note Program may be established by an issuer that has not previously registered any securities with the Commission; no prior public market issuance history is required.

8.1.2.2.3. The registration statement shall specify: (i) the aggregate principal amount of debt securities that may be outstanding at any time under the program (the Program Limit); and (ii) the period during which series may be issued under the program (the Availability Period). The Availability Period shall not exceed five (5) years from the date on which the base prospectus is authorized by the Commission. No series may be issued after the expiry of the Availability Period.

An issuer may apply to the Commission to amend the term options of the program, including by increasing the Program Limit, extending the Availability Period (subject to the five (5)-year maximum prescribed in this Rule), or adding categories of debt securities that may be issued under the program. Any such amendment shall be subject to the review and authorization of the Commission in the same manner as the base prospectus, and to such conditions as the Commission may prescribe. An amendment to the terms of the program shall apply only to series issued after it takes effect and shall not affect any series already issued.

8.1.2.2.4. For each series of debt securities issued under a Medium-Term Note Program, the issuer shall file with the Commission a Final Terms document in the fSEC Form 12-1 MTN FT. The Final Terms sets out the series-specific terms of that issuance and is limited to the variables authorized in the base prospectus. The Final Terms document is a filing with the Commission. It does not require Commission review or authorization before the issuer may proceed to offer and sell the relevant series. The Final Terms shall be filed on or before the issue date of the relevant series.

8.1.2.2.5. An issuer that has established a Medium-Term Note Program shall comply with the annual, quarterly, and current reporting obligations under SRC Rule 17 applicable to its registration category. These obligations apply to the issuer as a registered entity and are independent of the program. They constitute the primary mechanism through which the disclosure in the base prospectus is kept current between series issuances. The Final Terms for each series supplements these obligations only as to information specific to that series.

8.1.2.2.6. The base prospectus shall be kept current throughout the Availability Period through the issuer's ongoing reporting obligations under SRC Rule 17.1.1. An issuer that is current on its reporting obligations, as applicable, shall be deemed to have maintained the base prospectus disclosure up-to-date through incorporation by reference.

8.1.2.2.7. An issuer that has not kept its base prospectus current shall not issue any series under the program until it has filed an updated report or an updated base prospectus, as the Commission may require. Where a significant new factor, material mistake, or material inaccuracy affecting the base prospectus arises during the Availability Period and has not been captured through periodic or current reporting, the issuer shall file a supplement to the base prospectus with the Commission before issuing any further series.

8.1.2.2.8. In instances where the Commission identifies deficiencies, discrepancies, or incomplete information in any report filed by the Issuer, the Commission may require the Issuer to submit additional information, complete or correct such report, or provide copies of relevant documents for further review and inspection. The Issuer shall not issue any series under the Program until it has satisfactorily addressed the deficiencies or discrepancies identified by the Commission.

8.1.2.2.9. SRC Rule 14.2 shall not apply to a Medium-Term Note Program. Amendments and supplements to the base prospectus shall be governed exclusively by this SRC Rule 8.1.2.2. If a significant new factor, material inaccuracy, or material amendment to the base prospectus arises during an ongoing offer period for a series, the issuer shall file a supplement to the base prospectus with the Commission and give notice to the purchasers of that series in the manner specified in the base prospectus. Where the supplement or amendment results in a derogation of the rights of holders or purchasers of the debt securities of the affected series, the following shall apply:

8.1.2.2.9.1. Where the changes result in a derogation of the rights of existing holders or purchasers of the debt securities of the affected series who have paid all or a portion of the purchase price, the issuer may include in the notice an offer to rescind all sales of that series completed to date, without any deduction, the payments to be returned in accordance with SRC Rule 8.1.2.2.9.2, and shall wait thirty (30) days from the date of the notice for the purchasers to respond to the rescission offer before proceeding with the amended offer of that series; and

8.1.2.2.9.2. Where the conditions in SRC Rule 8.1.2.2.9.1 are present, a purchaser may, within thirty (30) days from the date of the notice, renounce its purchase of the notes of the affected series. Upon such renunciation, the issuer, or any person acting on behalf of the issuer in connection with the distribution of the debt securities, shall, within ten (10) days from receipt of the notice of renunciation, return the payments made by the holder or purchaser. A purchaser who does not renounce its purchase of the debt securities shall be subject to the terms of the amended offer.

8.1.2.2.10. Upon expiry of the Availability Period, an issuer wishing to continue accessing the market under a Medium-Term Note Program structure shall apply to establish a new program by filing a new registration statement in the applicable form. A new base prospectus shall be required. The Commission shall prescribe by Memorandum Circular the extent to which the new base prospectus may incorporate by reference the disclosure contained in the expiring base prospectus and in the issuer's periodic reports filed since the date of the expiring base prospectus.

8.1.2.3. Registration Fee(s)

8.1.2.3.1. Upon filing of an RS,, the total registration fee shall be computed based on Section 12.5 (a) of the SRC. Notwithstanding the issuance of a PTS in the case of Medium-Term Note Programs, the registration fee shall be payable per tranche of issuance and proportional to the issued value.

8.1.2.3.2. For an MTN issuer that does not intend to issue the first series of debt securities upon registration of the program, an initial registration fee of One Hundred Thousand pesos (PhP100,000.00) or one-one-hundredth (1/100) of one percentum (1%) of the Program Limit, whichever is higher, shall be paid. The initial program-level registration fee is deductible from the registration fee of the first series of debt securities under the same program.

8.1.2.3.3. The registration fees of the subsequent tranches shall be payable within the validity of the Payment Assessment Form.

~~**8.1.2.3.** The registrant shall execute an Undertaking to pay the remaining registration fees covering the securities intended to be issued in subsequent tranche(s) after the initial RS no later than thirty (30) business days prior to the expiry of the shelf reckoned from the date of effectivity of the RS.~~

8.1.3. Prospectus Delivery Requirements

8.1.3.1. The prospectus shall be submitted to the Commission as part of the registration statement.

8.1.3.2. Securities required to be registered pursuant to Sections 8 and 12 of the Code shall not be offered for sale or sold unless the prospectus, or any information material which has been filed with the registration statement in the form and containing the information described below, has been widely disseminated and sufficient copies have been made available to interested parties. Further, the prospectus contains the following statement in bold face print, at least 12 point type prominently displayed:

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE RECEIVED UNTIL THE REGISTRATION STATEMENT HAS BECOME EFFECTIVE THEREBY, AND ANY SUCH OFFER MAY BE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OR COMMITMENT OF ANY KIND, AT ANY TIME PRIOR TO THE NOTICE OF ITS ACCEPTANCE. AN INDICATION OF INTEREST IN RESPONSE HERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR BE CONSIDERED A SOLICITATION OF AN OFFER TO BUY.

8.1.3.3. In addition to the requirements of this Rule, the prospectus shall contain the information required by SRC Rule 12.1 and Form 12-1 and shall be prepared in accordance with the requirements of SRC Rule 72.1. The contents of the prospectus shall be worded in a language that can be understood by an ordinary person.

8.1.3.4. The prospectus is presumed to have been widely disseminated or circulated if copies were distributed initially and additional copies were furnished promptly, upon request, to the following:

8.1.3.4.1. All the participants in the distribution (*e.g.,* underwriters and brokers);

8.1.3.4.2. The principal office of the Commission;

8.1.3.4.3. An Exchange, if the securities will be listed; and

8.1.3.4.4. Twenty (20) or more persons who are not qualified buyers under Section 10.1 (1) of the Code.

8.1.3.5. Notice of Availability of the Prospectus

8.1.3.5.1. All participants in the distribution of an offering of securities to the public shall, when inquiries are made about it, inform the interested parties about the availability of the prospectus and shall, if requested, provide them copies.

8.1.3.5.2. A notice shall be placed on the front cover of the subscription agreement distributed in connection with the offering informing interested persons that they are entitled to a copy of the prospectus if they so desire and how and where it can be obtained.

8.1.3.5.3. The information referred to in SRC Rules 8.1.3.5.1 and 8.1.3.5.2 above on where the prospectus may be obtained shall include the address of the principal office and email address of the Commission, the Exchange where the securities may be listed, the Issuer company, and the telephone number, address and email address of the Issuer's contact person. A statement shall also be made to the effect that the prospectus is available from all underwriters and brokers participating in the distribution.

8.1.3.6. The use of selling documents other than the prospectus during the offering period is prohibited, provided, that the information described in SRC Rule 8.3 may be disseminated in whole or in part to summarize the offering.

8.1.3.7. The prospectus shall not be used unless all the information it contains are up to date and accurately reflect the terms of the offering and the financial condition of the Issuer. Accordingly, until all appropriate amendments have been made and filed with the Commission under SRC Rule 14, the use of the prospectus and the right to sell and offer for sale may be suspended under Section 15 of the Code if any of the following events occurs:

8.1.3.7.1. There is a material change in any of the information provided (including, but not limited to, the occurrence of a material event that is required to be reported in Form 17-C);

8.1.3.7.2. The accompanying financial statements are more than two hundred twenty five (225) days old.

8.1.3.8. Format of the Prospectus

8.1.3.8.1. The information required in the prospectus shall follow the order of the items or other requirements in Part I of Form 12-l. The information should be complete and should not mislead its reader or render its contents incomprehensible.

8.1.3.8.2. All information in the prospectus should be properly captioned or labeled to indicate the subject matters covered. The information shall be divided into short paragraphs or sections, except the financial statements and tabular data.

8.1.3.8.3. The information in the prospectus shall not be condensed or summarized. References may be made to information in other parts of the prospectus instead of repeating them.

8.1.3.8.4. All information required to be included in the prospectus should be clearly understandable without the need to refer to Form 12-1 or to outside sources.

RULE 8.2 - Conditional Approval

The Commission may conditionally render the RS effective under such terms as it may deem necessary.

RULE 8.3 - Written Communications Not Deemed Offers for Sale

8.3.1. A notice, circular, advertisement, letter or other forms of communication do not constitute an offer for sale that violates Section 8 of the Code if it is published or transmitted to any person after a registration statement has been filed and contains the following information:

8.3.1.1. The name of the issuer of the security;

8.3.1.2. The full title of the security and the amount being offered;

8.3.1.3. A brief indication of the general type of business of the issuer;

8.3.1.4. The price of the security or, if the price is not known, the method of its determination or the probable price range as specified by the issuer or the managing underwriter;

8.3.1.5. In the case of a debt security with a fixed (non-contingent) interest provision, the yield or, if the yield is not known, the probable yield range, as specified by the issuer or the managing underwriter;

8.3.1.6. The name and address of the sender of the communication and the fact that he is participating, or expects to participate, in the distribution of the security;

8.3.1.7. The names of the underwriters;

8.3.1.8. The approximate date upon which the proposed sale to the public is anticipated to commence;

8.3.1.9. Whether the security is being offered through rights issued to existing security holders, and, if so, the class of securities the holders of which will be entitled to subscribe, the subscription ratio, the actual or proposed record date, the date upon which the rights were issued or are expected to be issued, the actual or anticipated date upon which they will expire, and the approximate subscription price, or any of the foregoing;

8.3.1.10. With respect to any class of debt securities, any class of convertible debt securities or any class of preferred stock, the security rating or ratings assigned to the class of securities by any credit rating agency recognized or accredited by the Commission and the name of such rating agency/ies which assigned such rating/s;

8.3.1.11. For preliminary prospectuses, the following statement in bold face:

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, BUT HAS NOT YET BECOME EFFECTIVE. THESE SECURITIES MAY NOT BE SOLD NOR OFFERS TO BUY THEM BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT IS RENDERED EFFECTIVE. THIS COMMUNICATION SHALL NOT CONSTITUTE AN OFFER TO SELL OR BE CONSIDERED A SOLICITATION TO BUY.

8.3.1.12. A statement whether the security is being offered in connection with a distribution by the Issuer or a security holder, or both, and whether the issue represents new financing or refinancing, or both;

8.3.1.13. The name/s and addresses of the person/s from whom a prospectus that meets the requirements of Section 12 of the Code may be obtained.

RULE 8.4 - Register of Securities

A record of the registration of securities shall be kept in a Register of Securities in which shall be recorded orders entered by the Commission with respect to such securities. Such register and all documents or information with respect to the securities registered therein shall be open to public inspection at reasonable hours on business days.

RULE 8.5 - Audit by the Commission

The Commission may audit the financial statements, assets and other information of a firm applying for registration of its securities whenever it deems the same necessary to insure full disclosure or to protect the interest of the investors and the public in general.

RULE 12.1 - Filing Requirements under the Code

12.1.1. Underwriting Requirement for Registered Securities

Issuers of Registered Securities shall enter into an underwriting agreement with a universal bank, investment house or any other financial institution duly licensed under the Investment Houses Law; Provided, that if the underwriter is part of a group composed of such institutions, the group shall agree on a syndicate manager that shall act on behalf of, and be responsible to, the group and whose actions shall be binding on the members of the group.

No underwriting agreement shall be required for issuers of proprietary/non-proprietary securities and timeshares.

12.1.2. Requirements for Registration of Commercial Papers and Bonds

12.1.2.1.No commercial papers or bonds shall be offered for sale to the public unless the following registration requirements are complied with:

12.1.2.1.1. A registration statement shall be filed in accordance with SRC Rule 8.1 and this Rule. The applicable forms are as follows:

12.1.2.1.1.a. SEC Form 12-1, incorporating the disclosure requirements under Annex C, for registrants that have a class of equity securities registered or listed on any exchange and that registers debt securities.

A registrant subject to this paragraph shall not use SEC Form 12-1 DOI, SEC Form 12-1 MM, SEC Form 12-1 DOI MTN BP, or SEC Form 12-1 MM MTN BP for the registration of its debt securities or the establishment of a Medium-Term Note Program. Such registrant shall use SEC Form 12-1 for standalone bond registrations and SEC Form 12-1 MTN BP (Dual Issuer) for the establishment of a Medium-Term Note Program.

12.1.2.1.1.b. SEC Form 12-1 DOI, incorporating the disclosure requirements under Annex C-DOI, for Debt-Only Issuers.

12.1.2.1.1.c. SEC Form 12-1 MM, incorporating the disclosure requirements under Annex C-MM, for Eligible Mid-Market Issuers.

12.1.2.1.1.d. Other special forms for priority sectors, and green, social, and sustainability-linked bonds.

12.1.2.1.2. The Commission may grant exemptive relief with respect to the requirement of an underwriting agreement provided the Issuer can show sufficient proof that it has the ability to sell all or substantially all of its debt securities to the public;

12.1.2.1.3. Except for an issuance that amounts to not more than twenty five percent (25%) of the Issuer's net worth both on the basis of its stand-alone Audited Financial Statements and Consolidated Audited Financial Statements, if applicable, or where there is an irrevocable committed credit line with a bank covering one hundred percent (100%) of the proposed issuance, an issuer of commercial papers shall be rated by a Credit Rating Agency ("CRA") accredited by the Commission.

12.1.2.2.The CRA which will provide the rating required under these rules shall comply with the requirements for accreditation, operations and reporting of CRA under SEC Memorandum Circular No. 7, Series of 2014 and SRC Rule 39.1.

12.1.2.3.The Issuer shall comply with such other terms and conditions that the Commission may impose from time to time in the exercise of its mandate to protect the investors.

12.1.2.4.The Issuer shall comply with the conditions imposed for the registration of its commercial papers during the effectivity of the registration statement covering the said securities. The failure to comply with the conditions shall be sufficient ground, after notice and hearing, for the suspension or revocation of the registration.

12.1.2.5.**Term of Registration and Reissuance**

The registration of commercial papers shall be valid for three (3)-years or a longer period as may be prescribed by the Commission; Provided, that the Issuer shall include in its quarterly report the amount of commercial papers actually sold.

12.1.2.6.**Default**

12.1.2.6.1. If an Issuer of commercial papers defaults or fails to pay in full upon demand at its maturity date, the Issuer shall, within the next business day after such failure, notify in writing its underwriter or selling agent and the Commission of such failure and the latter shall forthwith issue a Cease and Desist Order enjoining the Issuer and underwriter or selling agent from further offering for sale the subject commercial papers.

12.1.3. Requirements for Registration of Derivatives

12.1.3.1.**Warrants**

12.1.3.1.1. Definitions. For purposes of this Rule, the following terms shall be construed as follows:

12.1.3.1.1.1. Warrant Certificate — means the certificate representing the right to a Warrant, which may or may not be detachable, that is issued by an Issuer to a Warrant holder.

12.1.3.1.1.2. Warrant Instrument — means the written document or deed containing the terms and conditions of the issue and exercise of a Warrant whose terms and conditions shall include (i) the maximum underlying shares that can be purchased upon exercise, (ii) the exercise period, and (iii) such other terms and conditions as the Commission may require.

12.1.3.1.1.3. Detachable Warrant — means a Warrant that may be sold, transferred or assigned to any person by the Warrant holder separate from, and independent of, the corresponding Beneficiary Securities.

12.1.3.1.1.4. Non-detachable Warrant — means a Warrant that may not be sold, transferred or assigned to any person by the Warrant holder separate from, and independent of, the Beneficiary Securities.

12.1.3.1.1.5. Beneficiary Securities — means the shares of stock and other securities of the Issuer which form the basis of entitlement in a Warrant.

12.1.3.1.1.6. Underlying Shares — means the unissued shares of a corporation that may be purchased by the Warrant holder upon the exercise of the right granted under the Warrant.

12.1.3.1.2. Registration

12.1.3.1.2.1. Upon registration of its warrants under Sections 8 and 12 of the Code and SRC Rules 8.1 and 12.1, a corporation may offer and issue such securities to the public.

12.1.3.1.2.2. The Issuer shall disclose in its registration statement the terms and conditions of the warrant plan, including its related computational data.

12.1.3.1.2.3. An Issuer proposing to offer Warrants to the public shall file SEC Form 12-1 and pay the filing fees in such amounts as the Commission may determine.

12.1.3.1.3. Form, Content and Other Requirements of Warrant Certificates

12.1.3.1.3.1. All Warrants authorized for issuance by the Commission shall be evidenced by Warrant Certificates which shall be signed by the president (or such other officer as may be duly authorized by the board of directors) and corporate secretary of the Issuer.

12.1.3.1.3.2. For Detachable Warrants, the Warrant Certificate shall state the following on its face: "This Warrant does not represent any share of stock, but only a right to purchase shares of stock of the Issuer under the terms and conditions contained in the certificate."

A Warrant Certificate shall also state (whether on its face or on its reverse side) the warrant certificate number; par or issue value, class and number of the corresponding underlying shares; exercise price, or formula for computing the same, or any adjustments; exercise period and expiry date of the Warrant; procedure for the exercise; summary of the provisions contained in the Warrant Instrument; and exchange ratio or the number of underlying shares that may be purchased by each Warrant holder.

12.1.3.1.3.3. For Non-detachable Warrants, the right granted under the Warrant shall be described in the stock transfer or instrument evidencing the Beneficial Securities. A Warrant Certificate or the stock certificate or instrument evidencing the Beneficial Securities where the non-detachable Warrant is described shall also state (whether on its face or on its reverse side) the warrant certificate number; par or issue value, class and number of the corresponding underlying shares; exercise price, or formula for computing the same, or any adjustments; exercise period and expiry date of the Warrant; procedure for the exercise; summary of the provisions contained in the Warrant Instrument; and exchange ratio or the number of underlying shares that may be purchased by each Warrant holder.

12.1.3.1.4. Exercise Period

Warrant holders may exercise the right granted under a Warrant within the period set by the Issuer as disclosed in its registration statement. Such set period shall hereinafter be referred to as the "Exercise Period". No extension of such period shall be allowed without the written consent of the Warrant Holders representing a majority of the total number of warrants held.

12.1.3.1.5. Exercise Price

12.1.3.1.5.1. The Exercise Price shall be a price fixed at the time of the registration, or computed using the stated formula, and disclosed by the Issuer in its registration statement.

12.1.3.1.5.2. The Exercise Price shall be paid in full upon the exercise of the right, and shall not be less than the par value of the underlying shares nor less than Five Pesos (PhP5.00) per share, if the underlying shares have no par value.

12.1.3.1.5.3. The Exercise Price shall be adjusted only if the Warrant Instrument provides for (i) the conditions under which adjustments in Exercise Price can be made; (ii) the formula under which the adjusted Exercise Price can be determined; and (iii) under any of the following circumstances that may occur after the issuance of the Warrant:

12.1.3.1.5.3.1. Change in the par value of the underlying shares;

12.1.3.1.5.3.2. Declaration of stock dividends;

12.1.3.1.5.3.3. Offering of additional shares at a price different from the original exercise price;

12.1.3.1.5.3.4. Merger, consolidation or quasi- reorganization;

12.1.3.1.5.3.5. Disposition of a substantial portion of the assets of the corporation; and

12.1.3.1.5.3.6. Such other similar instances as may be approved by the Commission.

12.1.3.1.6. Warrants Registry Book

Any corporation authorized to issue Warrants shall have a Warrants Registry Book or equivalent scripless record system maintained by a designated Warrants Registrar who shall preferably be the Stock and Transfer Agent of the Issuer. Upon the exercise of the right granted under a Warrant, a notation to this effect shall be duly recorded in the Warrants Registry Book and the purchase of the Underlying Shares shall be recorded in the Stock and Transfer Book of the Issuer. Any sale, transfer, or assignment of a Warrant must be recorded in the Warrants Registry Book, including the names of the transferor and transferee, the number of Warrants transferred and the number of Underlying Shares covered by the said transfer. Unless recorded in the Warrants Registry Book, the transfer of Warrants shall not be binding on the Issuer.

12.1.3.1.7. Transferability of Warrants

All registered Warrants shall be transferable without need of approval from the Commission; Provided, that Non-detachable Warrants shall be transferred only together with the Beneficial Securities.

12.1.3.1.8. Listing Requirements

Warrants authorized for issuance by the Commission may be listed in an Exchange together with the Beneficiary Securities in accordance with existing rules for the listing of securities, and under such other rules as the Exchange may adopt and approved by the Commission; Provided, that the Warrants shall be automatically delisted upon the lapse of the Exercise Period.

12.1.3.1.9. Structured and other types of Warrants

The registration and trading of structured and other warrants shall be governed by special rules that may be issued by the Commission.

12.1.3.2. Options

12.1.3.2.1. No corporation shall grant or offer any Option to the public unless it is registered in accordance with Sections 8 and 12 of the Code and Rules 8.1 and 12.1, except when the security is exempt from registration under Sections 9 and 10 of the Code or under these Rules.

12.1.3.2.2. A person proposing to offer any Option to the public shall file SEC Form 12-1. Notwithstanding that the Option has no issue value, it shall pay the filing fees in such amounts as the Commission may determine.

12.1.3.2.3. The Issuer shall disclose in its registration statement the terms and conditions of the Option plan, including its related computational data. The plan shall be submitted as an exhibit to the registration statement.

12.1.3.2.4. In evaluating the registration of stock Options, the Commission shall be guided by the following considerations:

12.1.3.2.4.1. Stocks granted to stockholders proportionate to their shareholdings may be allowed.

12.1.3.2.4.2. Stock Options may be granted to employees or officials who are not members of the board of directors, subject, however, to a review of the scheme by the board and approval by the stockholders in order to widen the corporate base and distribute corporate profits more equitably.

12.1.3.2.4.3. Stock Options may be granted to non- stockholders if the board has been authorized to grant that benefit by the corporation's articles of incorporation, by-laws or by a resolution of the stockholders representing at least two-thirds (2/3) of the outstanding voting and non-voting capital stock.

12.1.3.2.4.4. Stock Options granted to directors and officers must be approved in a meeting of the stockholders representing at least two-thirds (2/3) of the outstanding voting and non-voting capital stock.

12.1.3.2.4.5. The exercise of Options must be done within the period set by the Issuer as disclosed in its registration statement.

12.1.3.2.4.6. Corporations that grant Options shall maintain an Option Registry Book or equivalent scripless record system where all Options granted, including transfers, shall be recorded with the entries showing the name of the person to whom the Option has been granted, the basis or authority for such grant, the date of the grant, the number of shares, the price per share, the exercise date, the total cost and official receipt number.

12.1.3.3. Other Types of Derivatives

12.1.3.3.1. All companies that plan to offer to sell derivatives to the public shall file a registration statement under SEC Form 12-1 in accordance with SRC Rules 8.1 and 12.1.

12.1.3.3.2. The registration statement shall include financial statements prepared in accordance with the Philippine Financial Reporting Standards and applicable International Accounting Standards on Financial Instruments, enumeration of attendant risks and a description of the company's financial risk management policies, including its policies for hedging.

12.1.4. Additional registration requirements for Proprietary and Non-Proprietary Shares or Certificates

12.1.4.1.The Issuer shall clearly indicate in its articles of incorporation, by-laws and prospectus the following:

12.1.4.1.1. A description of the nature and type of the shares or certificates, rights and privileges of their holders, in particular, their right over the use of the facilities of the Issuer;

12.1.4.1.2. The undertaking that the certificates or shares shall be issued within sixty (60) business days from the date of their full payment, and that the Issuer shall qualify the prospective members before the actual sale or transfer of the share or certificate.

12.1.4.2.The Issuer shall also include in the prospectus an undertaking that, if the project or underlying asset for which the securities are sold is, for any reason, not completed within the periods stated in the prospectus, it shall refund the amount of the investment of the purchaser of the securities within ten (10) business days from receipt of a written demand, and which undertaking shall be covered by a surety bond under such terms and conditions as may be approved by the Commission.

12.1.4.3.The Issuer shall also state in the prospectus that it shall:

12.1.4.3.1. Not collect membership dues unless the project is fifty percent (50%) usable as indicated in the prospectus, unless the Issuer provides for a higher percentage of usability;

12.1.4.3.2. Submit to the Commission a report under oath of any increase in fees and the rationale for such increase within thirty (30) business days from the approval by its board of directors of such increase;

12.1.4.3.3. Notify the members of any increase in fees upon the board's approval of the increase; and

12.1.4.3.4. Cause the posting of proper notices and other communications on the charging of fees on bulletin boards situated at conspicuous place/s at the site of the Issuer for the benefit of the secondary market.

12.1.4.4.The following documents shall be submitted as annexes to the registration statement:

12.1.4.4.1. Copy of Subscription Agreement containing the required undertaking under SRC Rule 12.1.4.2 above;

12.1.4.4.2. Copy of a Credit Line Agreement with a reputable domestic bank covering the cost of the entire or unfinished portion of the project. The credit line shall be availed of in the event of insufficiency of funds for the completion of the project arises. The terms of the agreement shall be disclosed in the prospectus;

12.1.4.4.3. Copy of a Custodianship or Escrow Agreement with a reputable bank covering the proceeds from the sale of the shares or certificates, which provides, among others, that the said proceeds shall be withdrawn only upon the presentation of the company's work progress report; and

12.1.4.4.4. Copy of the Environmental Compliance Certificate from the Department of Environment and Natural Resources covering the project.

12.1.4.4.5. Copy of the Original/Transfer Certificate of Title of the property to be developed in the name of the Issuer.

RULE 12.2 - Incorporation by Reference

12.2.1. Except for information filed as an exhibit, as provided for in SRC Rule 12.2.3, or is required to be contained in the prospectus subject of SRC Rule 12.2.4, information may be incorporated by reference to fully or partially answer any item of a registration statement filed pursuant to SRC Rule 8 or a report filed pursuant to SRC Rule 17.1 subject to the following provisions:

12.2.1.1. Financial statements incorporated by reference shall satisfy the requirements of the form or report in which they are incorporated. Financial statements or other financial data required to be given in comparative form for two (2) or more fiscal years or periods shall not be incorporated by reference unless the material incorporated by reference includes the entire period for which the comparative data are given;

12.2.1.2. Information in any part of the registration statement or other reports may be incorporated by reference to fully or partially answer any other item of the registration statement or other report; and

12.2.1.3. Copies of any information or financial statements incorporated into a registration statement or other report by reference, or copies of the pertinent pages of the document containing such information or statements, shall be filed as an exhibit to the statement or report.

12.2.2. All materials incorporated by reference shall be clearly identified by page, paragraph, caption or other means of identification. If only certain pages of a document are incorporated by reference and filed as an exhibit, the document from which the material was taken shall be clearly identified in the reference. An express statement that the specified matter is incorporated by reference shall be made at the particular place in the statement or report where the information is required. A matter shall not be incorporated by reference in any case if such incorporation would render the statement or report incomplete, unclear or confusing.

12.2.3. Incorporation of Exhibits by Reference

12.2.3.1. Any document or parts of it that have been filed with the Commission pursuant to the Code may be incorporated by reference as an exhibit to any statement or report filed with the Commission by the same or any other person. Any document or parts of it that are filed with an Exchange pursuant to the Code may be incorporated by reference as an exhibit to any statement or report filed with that Exchange by the same or any other person.

12.2.3.2. If any modification has been made in the text of any document incorporated by reference since its filing, the Issuer shall file with the reference a statement containing the text of any such modification and its date.

12.2.4. Information shall not be incorporated by reference in a prospectus.

12.2.5. Notwithstanding the foregoing, an Issuer maintaining an effective Medium-Term Note (MTN) Program may incorporate by reference into its base prospectus any information and exhibits contained in reports filed pursuant to SRC Rule 17.1.1., provided that such reports have been duly filed with the Commission and clearly identified in the relevant base prospectus. The use of incorporation by reference for MTN Programs shall be governed by SRC Rule 8.1.2.2 and the applicable provisions governing shelf registrations and continuous offerings.

RULE 12.5 (B) - Publication and Posting of Notice of Filing

12.5(b).1. The Issuer shall prepare and file with its registration statement a notification of such filing, in the form prescribed in Annex "A," stating that: (a) a registration statement for the sale of the subject security has been filed with the Commission; (b) the registration statement is open for inspection by interested parties during business hours at the Commission; and (c) that copies shall be furnished to anyone requesting them for a reasonable cost. The notice shall be signed by the Director of the department concerned or by any officer designated by the Commission.

Upon or before filing of the registration statement, the Issuer shall cause the publication of the notice, at its own expense, through either of the following modes:

(a) Online publication, by:

(i) posting the notice and the updated prospectus on the Issuer's website;

(ii) submitting the notice to the Commission for publication on the Commission's official website; and

(iii) where applicable, submitting the notice and updated prospectus to the Exchange where the securities are or will be listed, for publication through the disclosure facilities of such Exchange; or

(b) Newspaper publication, by publishing the notice in a national newspaper of general circulation, where required by the Commission.

For avoidance of doubt, compliance with either the online publication requirement under paragraph (a) or the newspaper publication requirement under paragraph (b) shall satisfy the publication requirement under this provision, unless the Commission expressly requires otherwise.

12.5(b).1.1. In the choice of the newspaper where the notice shall be published, the Issuer shall take into account the following considerations:

12.5(b).1.1.1. The notice shall likely be read by the persons who may be interested in or whose interests would be affected by the registration statement;

12.5(b).1.1.2. The national newspaper of general circulation is published at regular intervals, preferably five (5) times a week;

12.5(b).1.1.3. The newspaper must not be devoted to the interests of or published for the entertainment of a particular class, profession, trade, calling, race or religious denomination.

12.5(b).1.2. The burden of proof of showing satisfactory compliance with the notice requirement shall rest with the Issuer and the Commission may order a republication and/or re-posting of the notice if, in its judgment, the objective of the notice requirement has not been met.

12.5(b).2. As part of its registration statement, the Issuer shall submit ~~to the Commission~~ evidence of compliance with the foregoing online publication and posting requirements, including, as applicable, certifications of website postings and proof of dissemination through the disclosure facilities of an Exchange. Where newspaper publication is required by the Commission, the Issuer shall also submit an affidavit of publication with a copy of the notice that was published or a copy of the pro-forma notice to be published, with the attestation that the publication has been or will be immediately undertaken.

12.5(b).3. The order of the Commission rendering effective the registration statement shall, at the expense of the Issuer, be ~~published in a national newspaper of general circulation and~~ uploaded in its website within two (2) business days from its issuance.

RULE 14 - Amendments on the Registration Statement and Prospectus

14.1. For purposes of this Rule, material information shall include, but not be limited to, the following:

14.1.1. Any event or transaction which increases or creates a risk on the investments or on the securities covered by the registration;

14.1.2. Increase or decrease in the volume of the securities being offered at an issue price higher or lower than the range set and disclosed in the registration statement and which results to a derogation of the rights of existing security holders, as may be determined by the Commission;

14.1.3. Major change in the primary business of the Issuer;

14.1.4. Reorganization of the company;

14.1.5. Loss, deterioration or substitution of the property underlying the securities;

14.1.6. Ten percent (10%) or more change in the financial condition or results of operation of the Issuer unless a report to that effect has been filed with the Commission and furnished the prospective purchaser;

14.1.7. Classification, de-classification or re-classification of securities which results to the derogation of the rights of existing security holders, as may be determined by the Commission.

14.2. If, at any time from the effectivity of a registration statement or prospectus ~~on file with the Commission~~ until the closing of the offer period or the completion of the distribution of the securities covered, whichever is later, the registration statement or prospectus, becomes incomplete or inaccurate in any material respect or if the Issuer wants to change any material information therein after a current report or SEC Form 17-C has been filed, the Issuer shall:

14.2.1. File an amendment to the registration statement with the Commission explaining in detail all proposed changes which shall be reviewed by the Commission in accordance with Section 14 of the Code;

14.2.2. If the registration statement has been declared effective by the Commission, publish a notice of the proposed amendment/s, including the reasons for the amendments, on the Issuer's website, on the Commission's official website, through the disclosure facilities of the relevant Exchange, where applicable, or in two (2) national newspapers of general circulation in the Philippines, where required by the Commission, stating that the offering in its current form has been amended;

14.2.3. If the changes shall result in a derogation of the rights of existing security holders or purchasers of securities or, membership certificates who have paid a portion of the selling price, the Issuer may include in the above- mentioned publication an offer to rescind all transactions that have been completed for sale to date, without making any deduction pursuant to SRC Rule 14.2.4 and wait for thirty (30) days for the purchasers to respond to the rescission offer before initiating the amended offering;

14.2.4. If the conditions under SRC Rule 14.2.3 are present, the purchasers may, within thirty (30) days from the date of such notification, renounce their purchase of the said securities. Upon such renunciation, the Issuer, or any person acting on behalf of the Issuer in connection with the distribution of the said securities, shall, within ten (10) days from receipt of notification of such election, return the payments made by security holders or purchasers of securities, or membership certificates. Purchasers who decide not to renounce their purchase of securities shall be subject to the terms of the amended offering; and

14.2.5. In case of an increase in the volume or offering price of the securities to a level higher than the range previously disclosed by the Issuer, the amended registration statement or prospectus shall be accompanied by a filing fee based on the difference between the highest aggregate amount in relation to the previous range and the total amount based on the new volume or price. For amendments other than the offering price, the filing fee for the amended registration statement or prospectus shall be in such amount as the Commission may determine.

14.3. If the Commission learns that the prospectus is on its face incomplete or inaccurate in any material respect, or there is a material omission in it, it may require Issuer to comply with SRC Rule 14.2, or suspend or revoke its registration under Section 13 or 15 of the Code.

14.4. If non-material information stated in the prospectus changes, the Issuer shall file a report on SEC Form 17-C on the said changes prior to making any amendments in the registration statement. The proposed amendments shall be considered part of the original disclosure unless the Commission, within twenty (20) business days from receipt of such report, requires the Issuer to explain such changes.

14.5. Every amendment of a registration statement shall be signed by the persons specified in Section 12.4 of the Code or by any executive officer duly authorized by the board of directors. The final registration statement and prospectus shall, however, be signed by all the required signatories under Section 12.4 of the Code.

14.6. The Issuer shall file with the Commission one (1) complete, unmarked copy of every amendment, including exhibits and other papers and documents filed as part of the amendment and one (1) additional copy, marked to indicate clearly and precisely, by underlining or in some other appropriate manner, the changes effected in the registration statement by the amendment. Four (4) copies of the amended registration statement and prospectus shall be signed by the required signatories and filed with the Commission.

14.7. A copy of every amendment relating to a certified financial statements shall include the consent of the certifying accountant on the use of his certificate in the amended financial statements in the registration statement or prospectus and to being named as having certified such financial statements.

14.8. The date on which the amendments are received by the Commission shall be considered their date of filing if all the requirements of the Code and these Rules have been complied with.

14.9. The Commission may, taking into consideration the interests of the investors, ~~order the~~ require the dissemination of its order rendering the amended registration statement effective through the publication in the Issuer's website; the disclosure facilities of the relevant Exchange, where applicable; or in a national newspaper of general circulation.

Annex A
Affected Rules

TITLE V
Reportorial Requirement

RULE 17.1 - Reportorial Requirements

17.1.1. Public and Reporting Companies

This SRC Rule shall apply to all public and reporting companies as defined in SRC Rule 3. However, the obligation of a company which has sold a class of its securities pursuant to a registration under Section 12 of the Code shall be suspended for any fiscal year if, as of the first day of any such fiscal year, it has less than one hundred (100) holders of such class of securities and the Commission is notified of that fact. The suspension shall be availed of only after the year the registration became effective.

17.1.1.1. Reportorial requirements shall be prescribed by the Commission and shall be structured to take into account the characteristics of the issuers and the nature of offered securities. Public and reporting companies shall file with the Commission:

17.1.1.1.1. For the fiscal year in which the registration statement is rendered effective by the Commission, and for each fiscal year thereafter, issuers shall file an annual report within one hundred five (105) calendar days after the end of the fiscal year, using the applicable form as follows:

17.1.1.1.1.1. SEC Form 17-A – for all issuers other than Debt-Only Issuers and Eligible Mid-Market Issuers.

17.1.1.1.1.1.a. Issuers that have a class of equity securities registered or listed on any exchange and registered debt securities shall also comply with Annex C-Bond Supplement.

17.1.1.1.1.1.b. The bond-specific disclosure required by Annex C-Bond Supplement shall be incorporated into periodic reporting through SEC Form 17-AB (Annual Bond Supplement), which shall be filed concurrently with SEC Form 17-A by any registrant subject to this sub-rule that has outstanding registered debt securities as of the last day of its fiscal year. SEC Form 17-AB is an annual filing only.

17.1.1.1.1.2. SEC Form 17-A DOI (Annual Report for Debt-Only Issuers) – for Debt-Only Issuers.

17.1.1.1.1.3. SEC Form 17-A MM (Annual Report for Eligible Mid-Market Issuers) – for Eligible Mid-Market Issuers.

17.1.1.1.2. For each of the first three quarters of every fiscal year, all public and reporting companies shall file a **quarterly report** within forty-five (45) calendar days after the end of the applicable quarter. The first quarterly report of the Issuer shall be filed either within forty five (45) calendar days after the effective date of the registration statement or on or before the date on which such report would have been required to be filed if the Issuer had been required previously to file reports on SEC Form 17- Q, whichever is later, using The applicable forms are as follows:

17.1.1.1.2.1. SEC Form 17-Q – for all issuers other than Debt-Only Issuers and Eligible Mid-Market Issuers.

17.1.1.1.2.2. SEC Form 17-Q DOI (Quarterly Report for Debt-Only Issuers) – for Debt-Only Issuers.

The second quarterly report (covering the period ending on the last day of the second fiscal quarter) shall include a management's discussion and analysis in the form prescribed by Part III, Paragraph (A) of Annex C-DOI, oriented to the information needs of bondholders. The management's discussion and analysis is not required for the first and third quarterly reports of a Debt-Only Issuer.

17.1.1.1.2.3. SEC Form 17-Q MM (Quarterly Report for Eligible Mid-Market Issuers) – for Eligible Mid-Market Issuers.

The second quarterly report shall include a management's discussion and analysis in the compressed form prescribed by Part IV of Annex C-MM, focused on debt serviceability, covenant compliance status, and material developments affecting debt service capacity. The management's discussion and analysis is not required for the first and third quarterly reports of an Eligible Mid-Market Issuer.

17.1.1.1.3(a). A **current report** on SEC Form 17-C, as may be necessary, to make a full, fair and accurate disclosure to the public of every material fact or event that occurs which would reasonably be expected to affect the investors' decisions in relation to those securities. In the event a news report appears in the media involving an alleged material event, all public and reporting companies, including Debt-Only and Eligible Mid-Market Issuers, shall file a current report shall be made within the period prescribed herein in order to clarify the said news item which may create public speculation if not officially denied or clarified by the concerned company.

17.1.1.1.3(b). The disclosure required by SRC Rule 17.1.1.1.3 (a) shall be made by the company in accordance with the following guidelines:

17.1.1.1.3(b).1. **Promptly** to the public through the news media;

17.1.1.1.3(b).2. If the Issuer is listed on an Exchange, to that Exchange and to the Commission **within ten (10) minutes** after the occurrence of the event and prior to its release to the public through the news media; Provided that, disclosure by the Issuer to the Exchange may be deemed as filing with the Commission pursuant to a Memorandum of Agreement between the Exchange and the Commission; Provided further that, the Memorandum of Agreement shall provide for the ability of the Commission to download and upload the same information made available to the Exchange;

17.1.1.1.3(b).3. If the issuer is not listed on an Exchange, to the Commission through SEC Form 17-C **within five (5) calendar days** after the occurrence of the event reported, unless substantially similar information as that required by Form 17- C has been previously reported to the Commission by the Issuer.

17.1.1.1.4. A Debt-Only Issuer or Eligible Mid-Market Issuer that subsequently registers or lists equity securities shall, from the date of such registration or listing, comply with the periodic reporting obligations applicable to issuers with registered equity securities, in lieu of the obligations under this sub-rule. The issuer shall file current reports on SEC Form 17-C covering all reportable events applicable to it, including universal events, equity-specific events, and, where the issuer has outstanding registered debt securities, debt-specific events. Current reports shall be filed in accordance with the deadlines prescribed under SRC Rule 17.1.1.1.3(b).

17.1.1.1.5. For the avoidance of doubt, the transition to the equity reporting regime shall take effect at the commencement of the next reporting period beginning after the date of such registration or listing.

17.1.1.2. Any disclosure signed and filed with the Commission and the Exchange where the securities of the Issuer are listed, or released to the news media by any director, executive officer or a principal (as defined under Section 23 of the Code) of an Issuer shall be considered as part of any report mentioned in SRC Rule 17.1.1.1.3(a) and deemed as an official filing of such company if it does not deny the subject information within two (2) days from the filing or release of the disclosure. Any misleading statement, misrepresentation or omission of a material fact therein shall be considered the joint responsibility of the Issuer and the reporting director, officer or principal.

17.1.1.3. An owner of more than five percent (5%) of the voting rights of a public and reporting company that meets the requirements of Section 17.2 of the Code who holds material information which may materially affect such company may be required by the Commission to disclose such information within the period prescribed under SRC Rule 17.1.1.1.3. Failure to provide the required information shall subject the said stockholder to the sanctions applicable to violations of this Rule.

17.1.1.4. Issuers of securities registered with the Commission shall file an annual report on SEC Form 17-A for its predecessors that registered securities with the Commission during the last full fiscal year of the predecessor prior to the Issuer's succession, unless such report has already been filed by the predecessor. The annual report shall contain the information required if it were filed by the predecessor.

17.1.1.5. In the event a non-reporting Issuer (in connection with succession by merger, consolidation, exchange of securities or acquisition of assets) issues equity securities to holders of equity securities issued by a reporting Issuer, the non-reporting Issuer shall assume the same obligation as the reporting Issuer to file reports pursuant to Section 17 of the Code, and the non-reporting Issuer shall file such reports on the same forms as the reporting Issuer.

17.1.1.6. Notification of Inability to File on Time All or Any Required Portion of SEC Form 17-A or 17-Q.

17.1.1.6.3. If all or any required portion of an annual report (SEC Form 17-A) or quarterly report (SEC Form 17-Q) required to be filed pursuant to Section 17 of the Code and SRC Rule 17.1 is not filed within the period prescribed for such report, the Issuer shall, not later than the due date for such report, file with the Commission and, if applicable, with the Exchange where any class of its securities is listed, SEC Form 17-L which shall contain a disclosure in reasonable detail of its inability to timely file the report and the reasons for such failure. All information available on the date of the required filing shall be filed.

17.1.1.6.4. If any report or portion of any report described in SRC Rule 17.1.1.1 is not timely filed because the Issuer is unable to do so without unreasonable effort or expense, such report shall be deemed to be filed on the prescribed due date for such report if:

17.1.1.6.2.1. The Issuer files SEC Form 17-L in compliance with paragraph 17.1.1.6.1 hereof and, if applicable, furnishes the document required by SRC Rule 17.1.1.6.3;

17.1.1.6.2.2. The Issuer states in SEC Form 17-L that: (i) the reason(s) that caused the inability to timely file could not be eliminated by the Issuer without unreasonable effort or expense; (ii) either the subject annual report on SEC Form 17-A, or portion thereof, will be filed not later than the fifteenth (15th) calendar day following the prescribed due date, or the subject quarterly report on SEC Form 17-Q, or portion thereof, will be filed not later than the fifth (5th) calendar day following the prescribed due date; and (iii) the report or portion thereof is actually filed within the period specified by SRC Rule 17.1.1.1.

17.1.1.6.3. If SRC Rule 17.1.1.6.2 is applicable and the reason the subject report or portion thereof cannot be timely filed without unreasonable effort or expense relates to the inability of any person, other than the Issuer, to furnish any required opinion, report or certification, a statement signed by such person stating the specific reasons why that person is unable to furnish the required opinion, report or certification on or before the date must be filed with SEC Form 17-L.

17.1.1.6.4. Notwithstanding SRC Rule 17.1.1.6.2, a registration statement filed on SEC Form 12-1 pursuant to SRC Rule 8.1, the use of which is predicated on timely filed reports, shall not be declared effective until the subject report is actually filed pursuant to SRC Rule 17.1.1.1.

17.1.1.6.5. If the SEC Form 17-L filed pursuant to SRC Rule 17.1.1.6.2 relates only to a portion of a subject report, the Issuer shall:

17.1.1.6.5.1. File the balance of such report and indicate on its cover page which disclosure items are omitted; and

17.1.1.6.5.2. Include at the upper right corner of the amendment to the report which includes the previously omitted information the following statement:

"The following items were the subject of SEC Form 17-L and are included herein: (List Item Numbers)"

17.1.2. Issuers of Commercial Papers in Exempt Transactions

Underwriters or Issuers of commercial papers ("CP") shall file an information statement (SEC Form CP-IS) within seven (7) days prior to issuance thereof. An annual CP report on outstanding issuance shall likewise be filed on or before the 10th of January every year.

RULE 17.2 - Subjects of the Reportorial Requirements

The reportorial requirements of Subsection 17.1 shall apply to the following:

17.2.1. An issuer which has sold a class of its securities pursuant to a registration under Section 12 hereof: *Provided, however*, That the obligation of such issuer to file reports shall be suspended for any fiscal year after the year such registration became effective if such issuer, as of the first day of any such fiscal year, has less than one hundred (100) holders of such class of securities or such other number as the Commission shall prescribe and it notifies the Commission of such

17.2.2. An issuer with a class of securities listed for trading on an Exchange

17.2.3. An issuer with assets of at least Fifty million pesos (P50,000,000.00) or such other amount as the Commission shall prescribe, and having Two hundred (200) or more holders each holding at least One hundred (100) shares of a class of its equity securities: *Provided, however* That the obligation of such issuer to file reports shall be terminated ninety (90) days after notification to the Commission by the issuer that the number of its holders holding at least one hundred (100) shares is reduced to less than One hundred (100).

RULE 17.3

Every issuer of a security listed for trading on an Exchange shall file with the Exchange a copy of any report filed with the Commission under Subsection 17.1 hereof.

RULE 17.4

All reports (including financial statements) required to be filed with the Commission pursuant to Subsection 17.1 hereof shall be in such form, contain such information and be filed at such times as the Commission shall prescribe, and shall be in lieu of any periodical or current reports or financial statements otherwise required to be filed under the Corporation Code.

Annex A
Affected Rules

RULE 17.5

Every issuer which has a class of equity securities satisfying any of the requirements in Subsection 17.2 shall furnish to each holder of such equity security an annual report in such form and containing such information as the Commission shall prescribe.

RULE 17.6

Within such period as the Commission may prescribe preceding the annual meeting of the holders of any equity security of a class entitled to vote at such meeting, the issuer shall transmit to such holders an annual report in conformity with Subsection 17.5.