



REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION

A CITIZEN'S MANUAL ON

OUR MANDATE AND FUNCTIONS

(PAMPHLET* NO. 1)

10 V 2005

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Mandaluyong City
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<http://www.sec.gov.ph>

* Pursuant to R.A. 6713 and Memorandum Circular 35 s. 2003 issued by the President on 17 March 2003, the SEC disseminates different pamphlets that give information about its mandate and functions, registration and reportorial requirements, fees and charges, and other relevant topics for the guidance of investors and the general public.

SEC'S MANDATE

The Securities and Exchange Commission (SEC) is the government agency mandated to implement the following laws:

1. Securities Regulation Code (RA 8799)
2. Corporation Code of the Philippines (BP 68)
3. PD 902-A as amended (except for sections repealed by RA 8799)
4. Investment Houses Law (PD 129 as amended by RA 8366)
5. Investment Company Act (RA 2629)
6. Financing Company Act (RA 5980 as amended by RA 8556)

SEC is also involved in the enforcement of:

1. Securitization Act of 2004 (RA 9267)
2. Special Purpose Vehicle (RA 9182)
3. Anti-Money Laundering Law (RA 9160 as amended by RA 9194)
4. Retail Trade Liberalization Act of 2000 (RA 8762)
5. Civil Code (specifically, the provisions on partnerships)
6. Omnibus Investments Code (E.O. 226, Book III)
7. Foreign Investments Company Act (RA 7042)
8. Education Act of 1982 (BP 232 as amended by RA 7798)
9. Anti-Dummy Law (CA 108)

Guided by the state policy expressed in Sec. 2 of R. A. 8799, also known as the Securities Regulation Code (SRC);

"The State shall establish a socially conscious, free market that regulates itself, encourage the widest participation of ownership in enterprises, enhance the democratization of wealth, promote the development of the capital market, protect investors, ensure full and fair disclosure about securities, minimize if not totally eliminate insider trading and other fraudulent or manipulative devices and practices which create distortions in the free market."

SEC's mission and vision read:

VISION

As an independent, credible regulator adhering to international standards, the SEC envisions to be a prime mover of Philippine economic development by ensuring a fair, efficient, and transparent capital market.

MISSION

The SEC shall actively promote the development of a globally competitive Philippine capital market, effectively regulate and monitor its operations, and widely disseminate reliable information for the protection of the investing public.

To carry out this mission, the SEC shall harness its empowered human resources, functioning under a culture of efficiency and integrity and delivering services through systems enhanced by appropriate technology.

THE FOUR CORE FUNCTIONS OF SEC

- **Capital Market Development and Regulation**
SEC registers traditional and non-traditional securities as well as licenses and regulates all market participants, such as exchanges, brokers, dealers, traders and others.
- **Company Registration and Monitoring**
SEC registers companies and partnerships and monitors of compliance with the Corporation Code, Civil Code (specifically, the provisions on Partnerships), Foreign Investments Act, and other related laws.
- **Enforcement**
For the protection of investors, SEC monitors the activities of market participants to ensure their compliance with the pertinent governing laws, rules, regulations and policies.
- **Support Services**
SEC has financial management, human resource development and administration, and economic research and information services, in order to support and enable its operations.

DEPARTMENTS, SPECIAL OFFICES AND EXTENSION OFFICES

The four core functions are distributed among the eight (8) operational departments of the SEC. In addition, there are two (2) special offices, the Office of the General Counsel and the Office of the General Accountant, which provide advisory services to the Commission in law and accounting principles and practices.

The SEC moreover, has seven (7) extension offices in the cities of Baguio, Legaspi, Iloilo, Cebu, Cagayan de Oro, Davao and Zamboanga. The extension offices facilitate the requirements of the investing public from these cities and surrounding areas.

The specific functions of the departments, special offices and extension offices are described below.

CORE FUNCTION I : CAPITAL MARKET DEVELOPMENT AND REGULATION

Market Regulation Department (MRD)

- Responsible for developing the registration criteria for all market participants; ensuring compliance with registration requirements; and, monitoring compliance with the SRC

Corporation Finance Department (CFD)

- Responsible for registering securities prior to offer or sale to the public; ensuring that adequate information is available about said securities to investors; and, monitoring compliance by issuers with the SRC

Non-Traditional Securities and Instruments Department (NTD)

- Responsible for the registration and licensing of non-traditional securities and instruments including but not limited to pre-need plans, commodity futures contracts, proprietary or non-proprietary membership certificates and other similar instruments; and, monitoring of compliance of entities engaged therein, with related laws, rules, and regulations

CORE FUNCTION II : COMPANY REGISTRATION

Company Registration and Monitoring Department (CRMD)

- Responsible for the registration of domestic corporations and partnerships under the Corporation Code and related laws, foreign entities doing business in the Philippines under the Foreign Investments Act of 1991 and multinational companies establishing regional headquarters and regional operating headquarters in the Philippines under Book III of the Omnibus Investments Code of 1987; and, monitoring compliance with the aforesaid laws

CORE FUNCTION III : ENFORCEMENT

Compliance and Enforcement Department (CED)

- Responsible for ensuring the compliance of all market participants, issuers and individuals, with Philippine regulations and governing legislation; and, taking appropriate action against all violators of the Code and other relevant laws, rules and regulations implemented by the Commission

CORE FUNCTION IV : SUPPORT SERVICES

Financial Management Department (FMD)

- Provides services for budget, fiscal, accounting and treasury functions

Human Resource and Administrative Department (HRAD)

- Oversees all human resource and administrative support functions for the SEC and activities related to employment policies and practices; ensures SEC compliance with all Philippine labor laws; and, interacts with related government agencies as necessary in establishing policies and practices and addressing employee grievances

Economic Research and Information Department (ERID)

- Serves as technical lead for the Commission re: software development, hardware procurement and maintenance of communications network; handles public affairs, investment research, investor education and public assistance; and, provides planning services

THE SPECIAL OFFICES

Office of the General Counsel (OGC)

- Provides expert legal advice to the Commission; assists in the preparation of the Commission's legislative agenda; acts as the Commission's liaison with Congress; and, ensures that rulings and opinions of the Commission are consistent with Philippine laws and jurisprudence

Office of the General Accountant (OGA)

- Acts primarily as an expert resource to the Commission in the area of promoting the adoption of international accounting standards to enhance the transparency of the Philippine capital market

THE EXTENSION OFFICES

Support the Commission's enforcement and regulatory responsibilities and goals; perform enforcement investigations/ inspections in coordination with Compliance and Enforcement Department; and, support the work of Company Registration and Monitoring Department

THE SEC OFFICIALS*

DEPARTMENT/NAME	DIRECT LINE	EXT.	FAX
CHAIRPERSON			
Hon. Fe B. Barin	727-4543 724-4757	205 275 282	725-4399
COMMISSIONERS			
Hon. Joselia J. Poblador	727-2158 726-6857	203 246	721-5048
Hon. Ma. Juanita E. Cueto	727-6896 725-8320	204	723-6434
Hon. Jesus Enrique G. Martinez	724-6769 722-8142	202	725-6158
Hon. Raul J. Palabrica	727-4343	206 239	721-2939
OGC			
Atty. Vernetta U. Paco vupaco@sec.gov.ph ogc@sec.gov.ph	726-2348 725-3418 725-8260	207 216 267	726-8459
OGA			
Mr. Roberto G. Manabat rgmanabat@sec.gov.ph	724-9764	285	721-0120
Commission Secretary Atty. C.A. Gerard Lukban	725-3688 723-5475	209	725-8141
MRD			
Director Jose P. Aquino jose.aquino@sec.gov.ph	725-3702 722-1893	223	726-1593
CFD			
Director Justina F. Callangan justina.callangan@sec.gov.ph	727-5103	227 283	727-2990
NTD			
	721-5058	208 273	723-5477
CRMD			
Director Benito A. Cataran benito.cataran@sec.gov.ph	727-2011		724-1319
CED			
Director Hubert Dominic B. Guevara hbguevara@sec.gov.ph	727-3367	224	724-8709
FMD			
Director Adelaida C. Navarro-Banaria aida.banaria@sec.gov.ph	725-4585	234	721-5005
HRAD			
	725-4165	236 237	725-5293
ERID			
Director Arturo M. San Gil amsan_gil_mpa87@post.harvard.edu mis@sec.gov.ph	726-2220	279	727-4526

EXTENSION OFFICES	DIRECT LINE	FAX	ADDRESS
BAGUIO CITY Dir. Annie G. Tesorio secbeo@digitelone.com	(074) 442-2507 442-8171	(074) 442-8756	SEC Bldg, 76 Gen. Luna Rd., Baguio City 2600
LEGAZPI CITY Dir. Marylou Duka-Castillo secleo@cats.edu.ph	(052) 245-5627 820-3095	(052) 245-5628	SEC Bldg, 2/F, Chiniel (Avon) Bldg., Rizal St., Albay District, Legazpi City
ILOILO CITY Dir. Russell I. Ildesa sec-leo@globelines.com.ph	(033) 337-9984 335-0025	(033) 337-2557	SEC Bldg., Gen. Hughes St., Iloilo City
CEBU CITY Dir. Merle P. Cunanan seccebu@cebu.webling.com	(032) 253-5337 253-6987 253-7221	(032) 255-2874	SEC Bldg., V. Rama Ave., Guadalupe, Cebu City
DAVAO CITY Atty. Javey Paul D. Francisco (OIC) jingo868@yahoo.com	(082) 298-2170 298-1893 298-1894	(082) 298-0012	SEC Bldg., Luisa Drive cor. University Ave., Juna Subd., Matina, Davao City
CAGAYAN DE ORO CITY Dir. Renato V. Egypto seccdo@webgate.net.ph	(08822) 727-059 (088) 857-4325 857-2490	(08822) 726-948	SEC Bldg., 14 th St., Tomasaco Del Lara St., Cagayan de Oro City
ZAMBOANGA CITY Dir. Marcos G. Florendo Jr. sec9@jetlink.com.ph	(062) 991-7163 993-1437	(062) 991-2689	SEC Bldg., San Jose Panigayan St., Zamboanga City

* As of 10 May 2005