



Republic of the Philippines
Department of Finance
Securities and Exchange Commission
SEC Building, EDSA, Greenhills, Mandaluyong City

TO : ALL CONCERNED CORPORATIONS
SUBJECT : ISSUANCE OF SUSPENSION ORDERS

NOTICE

Under Section 6, par. (i), of P.D. No. 902-A, the Securities and Exchange Commission has the power to *suspend, or revoke*, after proper notice and hearing, the franchise or certificate of registration of corporations upon any of the grounds provided by law.

One of the grounds provided by law is failure to comply with Sections 141 (Annual report of corporation) and 26 (Report of election of directors, trustees and officers) of the Corporation Code.

The Commission *En Banc*, in its meeting on 5 March 2015, resolved to issue an Order of Suspension (instead of an Order of Revocation) against corporations which failed to comply with the SEC reportorial requirements for five (5) consecutive years and against those (i.e., corporations with intermittent filing of the reportorial requirements) which failed to comply with the Notice of Deficiencies sent by the Commission.

The following procedure shall be observed:

- a.) For delinquent corporations who failed to comply with the reportorial requirements for five (5) consecutive years, the Order of Suspension, together with the list of delinquent corporations, shall be published in a newspaper of general circulation; and
- b.) For corporations with intermittent filing of the reportorial requirements, a Notice of Deficiency shall be sent to them by the Commission. Upon failure of the corporation to comply therewith, the Order of Suspension, together with the list of erring corporations, shall be published in a newspaper of general circulation

A delinquent corporation is given a period of thirty (30) days from the date of publication within which to comply with the reportorial requirements. If after the lapse of the said thirty (30)-day period, no compliance is made by the delinquent corporation, the Commission (thru its Company Registration and Monitoring Department) shall enter a suspended status in said corporation's records in the Commission's database.

A delinquent corporation with "*suspended*" status already entered in its records on file with the Commission shall not be issued a Certificate of No Derogatory Information by the Commission. Further, any application for amendment filed by such corporation shall not be accepted or approved by the Commission.

The Order of Suspension shall remain effective **until the submission by the delinquent corporation of its latest reports and its payment of the corresponding penalties/fines**. A **Petition** to lift the Order of Suspension must be filed together with the required reports.

However, a delinquent corporation which has no intention to have the issued Order of Suspension lifted, or has already ceased its operations, may request from the Commission (through an appropriate petition) an Order revoking its franchise or certificate of registration.

The Petition to lift the Order of Suspension shall not apply to corporations whose franchises or certificates of registration have already been revoked or whose corporate terms have already expired.

Please be guided accordingly.


TERESITA J. HERBOSA
Chairperson