



NOTICE

TO : ALL INTERESTED PARTIES

SUBJECT : REQUEST FOR COMMENTS ON THE PROPOSED GUIDELINES
ON THE CONVERSION OF AN ORDINARY STOCK CORPORATION
INTO ONE PERSON CORPORATION (OPC)

Pursuant to Section 179 of Republic Act No. 11232, otherwise known as the Revised Corporation Code, the Securities and Exchange Commission intends to issue Guidelines on the **Conversion of an Ordinary Stock Corporation Into a One Person Corporation (OPC)**.

Hence, the Commission is inviting all interested parties, market participants and the investing public to submit their views, comments and inputs to the proposed guidelines.

Commenters may submit, not later than **29 March 2019**, their views, comments and inputs electronically to **Assistant Director Sampaguita R. Ladrado**, through email address : **srladrado@sec.gov.ph**

The following documents are attached for guidance and reference: (1) draft SEC Memorandum Circular; (2) Sample Form of Notice To Change Nominee/ Alternate Nominee of the OPC; (3) Form for Appointment of Officers.

March 15, 2019.



DRAFT

SEC MEMORANDUM CIRCULAR NO. _____

Series of 2019

TO : ALL CONCERNED

SUBJECT : GUIDELINES ON THE CONVERSION OF AN ORDINARY STOCK CORPORATION INTO A ONE PERSON CORPORATION (OPC)

In view of the effectivity of Republic Act No. 11232, otherwise known as the Revised Corporation Code of the Philippines, the Securities and Exchange Commission hereby adopts the following guidelines on the documentary requirements, as well as the process, for conversion from Ordinary Stock Corporation into a One Person Corporation, for the information of the general public.

- (1) Only a domestic corporation organized as a stock corporation ("*Ordinary Stock Corporation*") may be converted into a One Person Corporation.
- (2) After a natural person of legal age, a trust, or an estate ("*single stockholder*") has acquired all of the outstanding capital stocks of an Ordinary Stock Corporation, the Ordinary Stock Corporation may apply for its conversion into a One Person Corporation.
- (3) Applications for conversion from Ordinary Stock Corporation into a One Person Corporation will be processed as an amendment of an Articles of Incorporation/By-laws.
- (4) In support of an application for conversion, the following documents should be presented by an Ordinary Stock Corporation to the satisfaction of the Securities and Exchange Commission, to wit –
 - a. Amended Articles of Incorporation, amended as follows:
 - i. Name of the corporation, for the inclusion of the suffix "OPC" and the removal of any suffix indicating an Ordinary Stock Corporation, such as "Corporation", "Incorporated", "Corp.", or "Inc.";
 - ii. Reducing the number of director into one (1) and providing the name, nationality, and residence of the single stockholder who will be the sole director;



If the single stockholder is a trust or an estate, the name, nationality and residence of the trustee, administrator, executor, guardian, conservator, custodian, or other person exercising fiduciary duties, shall be indicated;

- iii. Nominees, addition of a new article providing the nominee and alternate nominee's name, nationality and residence address, and;
- iv. Amendment or removal of such other provisions that are distinctive to Ordinary Stock Corporations.

The Amended Articles of Incorporation should be signed by the single stockholder and acknowledged by him before a notary public.

- b. Secretary's Certificate, duly certified under oath by the corporate secretary, to the following effect:
 - i. That the single stockholder acquired all of the outstanding shares in the Ordinary Stock Corporation;
 - ii. That the single stockholder has decided to convert the Ordinary Stock Corporation into a One Person Corporation and, for that purpose, has decided to
 1. Amend the Articles of Incorporation, copy attached,
 2. Repeal the By-Laws of the Ordinary Stock Corporation or adopt a new By-Laws for the One Person Corporation, copy attached, and;
 3. Appoint a nominee and an alternate nominee for the One Person Corporation, and;
 - iii. That the Ordinary Stock Corporation, or any of its stockholder, director, or officer is not involved in any intra-corporate dispute.

The named nominee and alternate nominee may signify acceptance of their appointment by signing the same instrument under oath.

- c. Proof of acquisition of all the outstanding shares such as, but not limited to, Certified True Copies of Deeds of Assignments and of Certificates Authorizing Registration issued by the Bureau of Internal Revenue, etc.
- d. Affidavit of Acceptance, duly executed under oath by the nominee and by the alternate nominee, if not yet included in the Secretary's Certificate.
- e. Name reservation for the proposed corporate name.



- f. Monitoring Clearance of the Ordinary Stock Corporation.
 - g. Undertaking to Change Corporate Name duly executed under oath by the single stockholder or the sole remaining director, if not yet included in the Articles of Incorporation.
- (5) The conversion of an Ordinary Stock Corporation into a One Person Corporation shall take effect upon approval by the Commission of the Amended Articles of Incorporation through the issuance of a Certificate of Filing of Amended Articles of Incorporation.
- (6) Upon approval of the conversion, and in the Certificate of Filing of Amended Articles of Incorporation that will be issued, the One Person Corporation will retain its SEC Company Registration Number with the addition of “-OPC” at the end thereof in order to reflect the corporation’s nature as such.
- (7) The One Person Corporation converted from an Ordinary Stock Corporation shall succeed the latter and be legally responsible for all the latter’s outstanding liabilities and obligations as of the date of approval of the conversion.
- (8) This Memorandum Circular shall take effect immediately after its publication in a newspaper of general circulation.

_____, 2019 Pasay City, Philippines.

EMILIO B. AQUINO
Chairperson



**SAMPLE FORM OF NOTICE TO CHANGE NOMINEE/
ALTERNATE NOMINEE OF THE OPC**

Date: _____

**The Securities and Exchange Commission
Company Registration and Monitoring Department
Secretariat Building, PICC, Pasay City**

Gentlemen:

In compliance with the requirement of Section 126 of the Revised Corporation Code of the Philippines, the undersigned hereby notifies the Securities and Exchange Commission that there is a change in the nominee and alternate nominee as indicated in the Articles of Incorporation of _____, OPC under SEC Reg. No. _____.

May I therefore submit the names of the new nominees and their written consent, as follows:

<u>Name of the Nominee</u>	<u>Nationality</u>	<u>Residence Address</u>
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<u>Name of the Alternate Nominee</u>	<u>Nationality</u>	<u>Residence Address</u>
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I consent to my appointment as Nominee: _____
(Signature of the Nominee)

I consent to my appointment as Alternate
Nominee: _____
(Signature of the Alternate Nominee)

Certified Correct: _____
(Name of Single Stockholder/President)

SUBSCRIBED AND SWORN TO before me in _____ on _____ by the above-named individual as the Single Stockholder/ President of the OPC who personally appeared before me and exhibited to me his/her competent evidence of identity consisting of _____ issued on _____.

NOTARY PUBLIC



FORM FOR APPOINTMENT OF OFFICERS

FOR THE YEAR _____

ONE PERSON CORPORATION

----- PLEASE PRINT LEGIBLY -----

CORPORATE NAME:	DATE OF REGISTRATION:
BUSINESS/TRADE NAME:	Fiscal Year End:
SEC REGISTRATION NUMBER:	Email Address:
COMPLETE BUSINESS ADDRESS:	
PRIMARY PURPOSE/ACTIVITY/INDUSTRY PRESENTLY ENGAGED IN:	Corporate Tax Identification Number:
	Telephone Number

OFFICERS' INFORMATION

NAME/ CURRENT RESIDENTIAL ADDRESS	NATIONALITY	GENDER	OFFICER/ POSITION	TAX IDENTIFICATION NUMBER

NOTE: USE ADDITIONAL SHEET IF NECESSARY

Certified correct:

(NAME OF THE SINGLE STOCKHOLDER/PRESIDENT)
(Signature over printed name)

SUBSCRIBED AND SWORN TO before me in _____ on _____ by affiant who personally
appeared before me and exhibited to me his/her competent evidence of identity consisting of _____
issued at _____ on _____.

NOTARY PUBLIC