



Securities and Exchange Commission
PHILIPPINES

THE NEW SEC NEWS LETTER

OCTOBER - DECEMBER 2023

VOLUME NO. 3

ISSUE NO. 3



Raising the bar of excellence

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Chairman EM@IL Message



From Emilio B. Aquino ebaquino@sec.gov.ph
To Our SEC Stakeholders
Date 10 November 2023

We at the Securities and Exchange Commission (SEC) have always strived to foster a culture of excellence in the corporate sector. As we celebrated our 87th year as the country's corporate registrar and securities regulator, we are proud to report the various milestones we have achieved as proof of our quest for excellence.

In 2023, we saw an overwhelming number of businesses successfully completing their registration with the SEC. We completed our nationwide roadshow for micro, small, and medium enterprises, successfully pitching crowdfunding and other funding sources to small business and entrepreneurs. We saw the conviction of officials of what is deemed to be the largest investment scam in the country's history. We launched the amnesty program, which gave non-compliant and suspended or revoked corporations a second chance at gaining good standing.

These milestones were possible due to the good foundation we have carefully laid out over the past five years. Particularly, our digital transformation journey has been the driving force behind the many improvements you see at the SEC today.

A fundamental aspect of this transformation was that it went beyond a mere adoption of new technology for its own sake. Instead, it was meticulously calibrated and customized to meet the needs of the transacting public and stakeholders. We painstakingly sought input from all parties involved and ensured that everyone comprehended the vision—how such an initiative would enhance our effectiveness in our roles and elevate our contributions to the nation.

Another crucial factor was time. It was essential to provide you, our stakeholders, with ample time to adapt. Transition periods allowed the public to test and become familiar with the new system. Simultaneously, they enabled us to engage with and listen to our clients, demonstrating the advantages of going digital.

Our digital transformation journey has just begun and we will continue to innovate to remain competitive while providing excellent service to our kababayans.

As we look back on our achievements through this newsletter, we become more inspired and fired up to blaze new trails. We will continue to strive for excellence in 2024, as we march toward our bigger goal of becoming the best investment destination in Southeast Asia.

Thank you, and mabuhay!

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→ Forward

NEWSEC

The Securities and Exchange Commission (SEC) concluded its successful capital market roadshow in the fourth quarter of 2023, while continuously expanding its list of partners for promoting financial literacy and investor education. Read about the latest updates and milestones of the Commission by visiting bit.ly/SECnews2023 or scanning the QR code.



Company registrations hit record high amid launch of SEC digital services

Company registrations with the SEC hit a record high in 2022, reaching a total of 42,926, 13% higher than the 38,052 seen in 2021. This marks a record high in the Commission's 85-year history as the country's company registrar. The SEC attributes the robust activity in corporate registrations to the launch of its digital services since 2021, which have helped improve the process of putting up a business in the country.

SEC champions sustainability reporting initiatives at World Investment Forum in Abu Dhabi



The SEC renewed calls for greater cooperation among various stakeholders to accelerate efforts in mainstreaming sustainable finance, strengthen sustainability reporting, and enable capital markets to meaningfully contribute to a just and equitable transition during the 8th World Investment Forum (WIF) in Abu Dhabi from October 16 to 20. With the theme, "Investing in Sustainable Development," the forum aimed to address key investment challenges caused by today's multiple global crises—the need to invest in food security, energy, health, supply chain resilience and productive capacity growth in the poorest countries.

SEC grants PSE exemptive relief for PDS takeover

The SEC has approved the application of The Philippine Stock Exchange, Inc. (PSE) for exemptive relief in its acquisition of additional shares in the Philippine Dealing System Holdings Corporation (PDS Group). This will allow the PSE to exceed the mandatory limit of 20% on ownership and voting rights in an exchange by an individual or an industry, granting it leeway to own up to 100% of the PDS Group, subject to certain conditions.

The PSE has initially committed to ensuring that the acquisition will operate in the public interest, as the resulting integration of the country's equity and fixed-income exchanges would allow for the delivery of more efficient and more types of products, services and better risk management systems for financial services.

SEC forges ties with DILG, DMW to combat scams, promote financial literacy

The SEC signed separate memorandums of agreement with the Department of the Interior and Local Government and the Department of Migrant Workers to formalize their respective partnerships through the SEC Capital Market Promotion and Awareness Inter-Agency Network (SEC CAMPAIGN Network) under the SEC CAN! (Communication, Advocacy, and Network) Initiative.

The initiative will empower local government units (LGUs) and overseas Filipino workers in tackling investment scams and promoting financial literacy across the country.

The DILG will also be a pioneer member of the SEC Anti-Scam and Illegal Taking of Investments Group, a sub-group of the SEC CAMPAIGN Network focused on proactive and prompt enforcement actions against investment scams and other predatory practices carried out through the misuse of the corporate vehicle.



SEC sees MSMEs, start-ups tapping capital market amid success of nationwide roadshow

The SEC successfully introduced the capital market as an accessible funding source for small businesses during its year-long nationwide roadshow. A total of 1,584 companies have registered as issuers with the licensed crowdfunding intermediaries. Of the total, 333 have successfully raised capital totaling P1.94 billion for 1,143 projects. This comes just three years after the first crowdfunding license was approved by the SEC in December 2020.

This year alone, 146 companies have raised capital totaling about P427 million for 1,114 projects through crowdfunding. Of this year's issuers, 37 companies were participants in the recently concluded 2023 Roadshow on Capital Formation for Micro, Small and Medium Enterprises (MSMEs) and Start-ups.



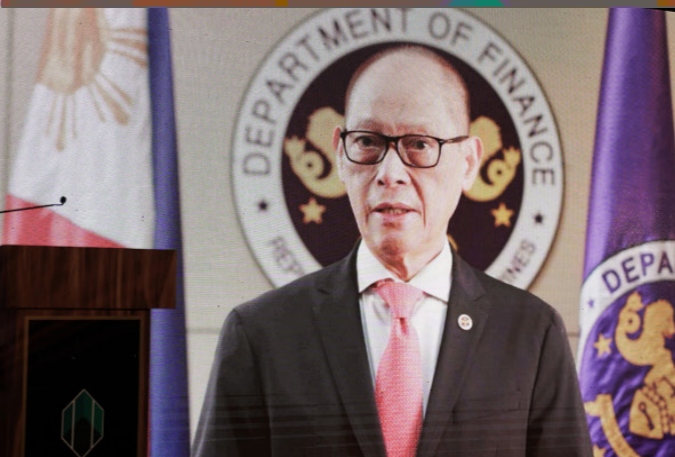
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The Securities and Exchange Commission marked its 87th Founding Anniversary with the recognition of its partners who have helped advanced its role as business and investor champion of the Philippines.

In his virtual speech during the event, Department of Finance Secretary Benjamin E. Diokno commended the Commission's efforts to ensure the integrity of the country's financial system, citing the awards it received and programs to intensify enforcement capacities and collaboration with both international and local organizations.

"The international recognitions you received this year affirm your deep commitment to raise the global competitiveness of the Philippine business and capital markets," Secretary Diokno said.



Look back on the 87th anniversary celebration of the SEC by going to bit.ly/SECat87 or scanning the QR code.



The Securities and Exchange Commission (SEC) was unstoppable in 2023, reaping awards left and right for its initiatives in the fields of ease of doing business, capital market development, investor protection, and good corporate governance.

Powered by its successful digital transformation program, the Commission has found new ways to leverage its online systems toward a more vibrant and robust corporate sector. With more efficient and seamless transactions in place, the SEC was able to consistently raise the bar in excellence, cementing its stature as a role model for both the public and private sector.

"2023 was a record year for the SEC, as we instituted improvements in the ease of doing business in the Philippines through our digitalization efforts, ramped up our financial literacy campaign to empower and protect investors, and explored new ways to boost the capital market," SEC Chairperson Emilio B. Aquino said.

Ease of doing business

The SEC received several awards, citations, recognitions, and accreditations for the programs and reforms it implemented in 2023.

In October, the Philippines was recognized for having one of the best company registration systems in the world—the Commission's Electronic Simplified Processing of Application for Registration of Company (eSPARC) — during the annual conference of the Corporate Registers Forum in Malta.

Launched in 2021, eSPARC reduced the time needed to register a company from 34 to three days. Its subsystem, the One Day Submission and Electronic Registration of Companies, allows applicants to register a company in as fast as one minute and 14 seconds, from the start of the application to the receipt of a digital certificate of incorporation.

This record processing time has earned the SEC several recognitions for improving the ease of doing business (EODB) in the country. In December, the Commission was recognized by the Anti-Red Tape Authority for enhancing the regulatory landscape in the country through its EODB programs.

Mobile payments service GCash also recognized the digitalization programs of the SEC, conferring the Commission with the Excellence in Digital Transformation Award during the GCash Digital Excellence Awards in December.

Mr. Aquino's commitment to leading the SEC toward a digital-first world was likewise recognized by research and consultancy firm Mansmith & Fielders, Inc., which named him the first ever Public Sector Innovator in the third annual Mansmith Innovation Awards.

Meanwhile, SEC Commissioner Kelvin Lester K. Lee was named among the Asia 200 Digital Leaders in the Spark Digital Leaders Awards in Hong Kong, for his contributions to the digital transformation landscape in Southeast Asia.

Sustainable and innovative finance

Efforts toward promoting sustainability in the corporate sector earned further praise in the global stage. For the third consecutive year, the SEC received the Global Good Governance (3G) Advocacy and Commitment to Corporate Governance Award from London-based Cambridge International Finance Advisory (Cambridge IFA).

In addition, Cambridge IFA conferred the 3G

Championship Award in ESG Practices to the SEC for championing emerging technologies and sustainable growth strategies while being mindful of their impact on society and aspiring for a better future.

Locally, the SEC was among the companies that received the Circle of Excellence Award for Sustainability during the Asia CEO Awards 2023.

The SEC also continued to be a leader in sustainable finance, as evidenced by the USD10.01 billion in ASEAN Green, Social, and Sustainability (GSS) Bonds issued by Philippine companies from January to September 2023. The amount accounted for 24% of the total USD41.07 billion worth of GSS bonds issued in the entire region during the same period.

With its commitment to sustainable finance, the SEC, through SEC Commissioner McJill Bryant T. Fernandez, was appointed as Vice-Chair-cum-Rapporteur in the 40th Session of the Intergovernmental Group of Experts on International Standards of Accounting and Reporting.

The appointment likewise reflected the Commission's leadership and advocacy in sustainability reporting marked by the ISAR Honours it received in 2019 and 2022 from the United Nations Conference on Trade and Development.

In addition, the SEC renewed its membership in the ASEAN Taxonomy Board, under the auspices of the ASEAN Finance Ministers and Central Bank Governors' Meeting and jointly driven by the ASEAN Capital Markets Forum, the ASEAN Insurance Regulators' Meeting, the ASEAN Senior Level Committee on Financial Integration and ASEAN Working Committee on Capital Market Development, in recognition of the Commission's leadership in the promotion of sustainable finance.

Given his work in advancing sustainable finance as supervising commissioner of the SEC Markets and Securities Regulation Department, Mr. Lee was conferred with the GRIT-ESG Changemakers Award by the ESG World Summit & GRIT Awards.

The Commission's openness to innovative capital and investment markets also earned its leadership recognitions. Mr. Lee was Asia's Most Admirable Young Leader, according to the Asia Corporate Excellence & Sustainability Awards, as well as a Gold Stevie recipient for Thought Leader of the Year during the Asia-Pacific Stevie Awards.

In addition, Mr. Lee was given the following awards for his work in advancing financial technology, or fintech: Tech Policy Advocate, conferred by Chartered Discipline Management Consultancy in the 2023 Philippine Digital Innovation Awards; Most Outstanding Contribution to Digital Innovation during the AI and Blockchain Conference 2023 organized by Artificial Intelligence Blockchain and Cryptocurrency; and Outstanding FinTech Regulatory and Innovation Leader, awarded by the Asian FinTech Academy.

Transparency and accountability

The SEC bolstered the integrity of the financial system and the business sector through adherence to international standards and practices.

This year saw the recertification of its ISO 9001:2015 compliance, for the Commission's sustained adherence to the international standard for its quality management system covering all core services across its main and extension offices in Baguio, Tarlac, Legazpi, Cebu, Iloilo, Bacolod, Davao, Cagayan de

2023

IN REVIEW

A recap of the accomplishments, milestones and achievements of the Securities and Exchange Commission in its 87th year

Digital Transformation

New Wave of Digital Services Toward a Digital-First World



- Enhanced SEC Universal Registration Environment (eSECURE)
- Electronic Registry Application for Market Participants (eRAMP)
- Electronic SEC Education, Analysis, and Research Computing Hub (eSEARCH)
- SEC Check App 2.0
- SEC API Marketplace

Corporate Registration and Compliance

Record High Company Registrations and Regulatory Compliance

- 46,445 New corporations (as of December 4, 2023)
- 16,734 Corporations with less than 5 incorporators
- 11,027 Regular corporations
- 6,337 One Person Corporations
- 79,500 Amnesty applications (as of December 12, 2023)

Financial Literacy and Investor Education

More Filipinos Empowered Financially Through Investor Education and Financial Literacy

- 128 SEC Capital Market Promotion and Awareness Inter-Agency Network (CAMPAIN) Partners
- 5 million Reach of year-long webinars and investor education activities

Capital Market Development

More Investments and Fundraising Activities

- Value of securities registered (as of September 2023): P322.73 billion
- Active mutual funds investment accounts (as of September 2023): 1,026,645
- Registered Crowdfunding Issuers (as of November 2023): 1,584
- Registered Crowdfunding Investors (as of November 2023): 91,575
- Capital raised through crowdfunding (as of November 2023): P1.94 billion
- Projects funded through crowdfunding (as of November 2023): 1,143

Sustainable Finance

Sustained Lead in Sustainable Finance in ASEAN

- Value of outstanding ASEAN Green, Social, and Sustainability (GSS) Bonds issued by Philippine companies (as of September 2023): USD 10.01 billion
- Share of Philippine GSS bonds in total value of ASEAN issues worth USD 41.07 billion: 24%

Enforcement and Investor Protection

More Proactive Enforcement Actions Against Investment Scams and Other Predatory Schemes

- Entities and individuals subject to advisories: 275
- Entities subject to Cease and Desist Orders: 19
- Corporations and individuals facing criminal complaints before DOJ: 228
- Individuals actively prosecuted in courts: 355
- Individuals convicted under Lending Company Regulation Act and for falsification: 98
- Individuals convicted under Securities Regulation Code and Financial Products and Services Consumer Protection Act: 33
- Total years of imprisonment imposed: 712
- Total aggregate fine imposed: P28.4 million

Oro, and Zamboanga, with zero nonconformity.

The Commission on Audit (COA), meanwhile, gave the SEC an unmodified opinion for its financial statements in 2022, marking the fifth consecutive year of receiving a good housekeeping mark from COA.

The Presidential Communications Office also recognized the SEC for its promotion of the public's right to know, being one of the top performing agencies in the implementation of the Freedom of Information (FOI) Program in 2023.

In parallel, Mr. Aquino received several awards for his commitment to promote transparency and accountability in the government. Among them is the Outstanding Professional of the Year award in the field of accountancy, conferred by the Professional Regulation Commission (PRC) for his "exceptional achievements, service and constitutions in his field of professional endeavor."

The PRC award was accompanied by a Special Citation for Mr. Aquino for being one of the top five nominees for the Eric Nubla Excellence Award, which acknowledges the achievement and service of professionals who excel in their respective fields of professional endeavor.

The PRC Board of Accountancy, in partnership with the Philippine Institute of Certified Public Accountants (PICPA), likewise conferred to Mr. Aquino the Accountancy Centenary Award of Excellence, recognizing him as one of the Philippines' Top 100 Certified Public Accountants (CPAs) for

Atty. Emilio B. Aquino, CPA
SEC Chairperson and CEO

- 1 Outstanding Professional of the Year in the Field of Accountancy
- 2 One of the Top Five Nominees for the Eric Nubla Excellence Award in Community Service
- 3 Accountancy Centenary Award of Excellence, Philippines' Top 100 CPAs
- 4 Mansmith Innovation Award
- 5 Torch Bearer Award for Government Service
- 6 PICPA Special Achievement Award in Community Service
- 7 Most Outstanding JCI Senator in the Philippines Award in the Field of Government Service/Public Administration
- 8 St. Paul Signum Meriti Medal

his "unquestionable integrity, contributions to the accountancy profession, and participation in national development.

As it approaches another year, the SEC is filled with optimism and vigor to help advance the national government's vision of robust economic growth in the years ahead.



Investor Protection Week Nationwide Roadshow

SEC Extension Offices across the country simultaneously held their respective roadshows on November 10, 2023, promoting financial literacy and helping Filipinos protect their hard-earned money by equipping them with the tools and information necessary to avoid investment scams.



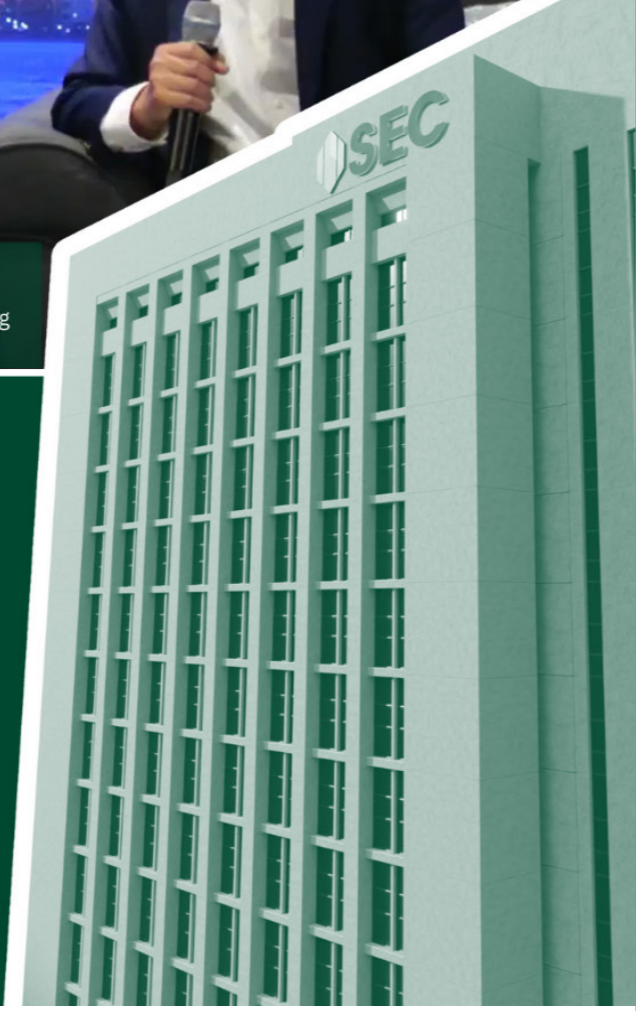
The Securities and Exchange Commission marked the 2023 celebration of World Investor Week and Investor Protection Week from October to November with a series of webinars, media rounds, and roadshows, as the Commission stepped up its efforts toward promoting financial literacy and advocating for investor protection.



FROM STRUGGLING TO SECURE

ENTERING YOUR FINANCIAL FREEDOM ERA THROUGH SMART AND SUSTAINABLE INVESTMENTS

World Investor Week 2023
Investor Protection Week



#CheckwithSEC

The Securities and Exchange Commission (SEC) regularly issues advisories, as well as cease and desist orders, to protect the public from individuals and groups soliciting investments without the necessary licenses from the Commission. It also revokes the certificates of registration of partnerships and corporations engaged in unauthorized investment-taking activities, and actively pursues them in court. Read the advisories issued by the Commission by visiting bit.ly/SECAdvisories or by scanning the QR code.



✓ KAPA masterminds sentenced to life in prison ✓ SEC declares cease and desist order against Casa Infini group permanent

Masterminds of Kapa Community Ministry International, Inc. (KAPA) have been sentenced to suffer the penalty of life imprisonment for syndicated estafa, following a case build-up by the SEC over its illegal investment-taking activities.

In a decision promulgated on December 12, Branch 33 of the Regional Trial Court of Butuan City found Kapa leaders Joel Apolinario, Cristobal R. Baradad, and Joji A. Jusay guilty beyond reasonable doubt of eight counts of syndicated estafa. Apolinario, also referred to as Pastor Joel, was the founder and president of KAPA, while Baradad and Jusay were among its incorporators.

The RTC found all elements of estafa present in the case, given that there was false pretense or misrepresentation made by Apolinario and the other accused when they claimed to be authorized to engage in a profit-making venture or business.

The SEC has made permanent the cease and desist order against the Casa Infini group, which was found to have enticed the public to invest in their alleged real estate projects in Baguio City either as a buyer-investor or partner financier with a promise of a guaranteed income of more than P33,000 per month for 20 months.

✓ SEC revokes corporate registration of BBM International

The SEC has revoked the corporate registration of Bagong Bansang Maharlika (BBM) International Inc. for operating as a non-government organization without the necessary licenses, while using the president's name to lure members, creating a false impression that its programs are legitimate and sanctioned by the current administration.

✓ SEC files money laundering case against Silverlion ✓ SEC warns public against Binance, mulls blocking access in the Philippines

The SEC filed a money laundering complaint against Silverlion Livestock Trading Corp. for violating the Anti-Money Laundering Act. In the complaint, the SEC noted that Silverlion engaged in unlawful activity when it offered investments to the public without the necessary licenses from the Commission. Silverlion's corporate registration has previously been revoked by the Commission. Separate criminal cases for violations of the Securities Regulation Code are also pending with Branch 12 of the RTC of Zamboanga City as a result of the inquest complaint filed by SEC before the Department of Justice in November 2022.

The SEC warned the public against using online cryptocurrency exchange Binance, as it is not authorized to sell or offer securities to the public in the Philippines. The SEC found that Binance has been actively employing promotional campaigns on social media to attract Filipinos to engage in investment and trading activities using its platforms. The Commission is also considering having the platform blocked in the Philippines to safeguard the public from unregistered investment products.

✓ SEC aids PNP-CIDG in arresting 20 suspected investment scammers ✓ SEC issues cease and desist order against Superbreakthrough Enterprises

The SEC has successfully busted the illegal investment solicitation activities of Procap International, Inc., in an entrapment operation conducted with the police authorities. The entrapment operation led to the arrest of 20 individuals, who were found to be offering investment contracts to prospective investors in the guise of gaming packages from Php73,000 to Php4.3 million with promised returns ranging from 6%-42% per month.

The SEC issued a cease and desist order against Superbreakthrough Enterprises Corp, which has been doing business under the name 1UP Time, for illegally soliciting investments from the public. The company was found to have been illegally offering investment packages consisting of health, wellness, skincare, and personal care products through social media platforms such as Youtube and Facebook. The packages, priced from P10,000 to P188,000, promised returns ranging from 25% to 35% worth of product discounts, recruitment bonuses, and other incentives.

SEC RULES



From October to December 2023, the Securities and Exchange Commission has issued nine memorandum circulars embodying new rules and regulations concerning corporations and other SEC-supervised entities. The full text of the following memorandum circulars may be found on the SEC website by visiting bit.ly/SECMemoCirculars or scanning the QR code.

SEC Memorandum Circular

No. 18

Series of 2023

Issuance date: 09 October 2023

Guidelines on the Submission of Digital Copies of Applications, Compliance Documents and Other Requests, and Further Reduction of the Number of Hard Copies to be Filed with the Commission

This memorandum circular promulgates the guidelines on the submission of digital copies of applications, documents, and other requests, and further reduction of the number of hard copies to be filed with the Commission. It implements Section 180 of the Revised Corporation Code of the Corporation, which mandates the SEC to develop and implement an electronic filing and monitoring system and promulgate rules to facilitate and expedite company registration, among others.

SEC Memorandum Circular

No. 19

Series of 2023

Issuance date: 26 October 2023

Guidelines on Declaration of Delinquent Status and Revocation of Certificate of Registration of Corporations under Sections 21 and 177 of the Revised Corporation Code

This memorandum circular applies to corporations which failed to formally organize and commence their business within five years from the date of their incorporation (non-use of corporate charter), those that have commenced their business but subsequently became inoperative for a period of at least five consecutive years (continuous inoperation for five years), and those that have failed to file any of the necessary requirements three times, consecutively or intermittently, within a period of five years (non-filing of reportorial requirements).

SEC Memorandum Circular

No. 20

Series of 2023

Issuance date: 03 November 2023

Final Extension of Amnesty Applications until 31 December 2023

In consideration of the numerous requests from the public to further extend the amnesty period and be given more time to meet the requirements of the amnesty process, the SEC, through this memorandum circular, resolved to extend, for the final time, the deadline for amnesty applications until 31 December 2023. Applicants for amnesty were also given until January 31, 2024 to complete the set of requirements accompanying their application.

SEC Memorandum Circular

No. 21

Series of 2023

Issuance date: 14 November 2023

Amendments to SEC Memorandum Circular Series of 2014 – Guidelines on Asset Valuations

Memorandum Circular No. 21, series of 2023 (MC21) amends Memorandum Circular No. 2, series of 2014 (MC02). MC21 specifically amends the provisions on Paragraph 3 of Items II (criteria for accreditation) and III (operational requirement) and Paragraph 1 of Item IV (reporting requirements) of MC2 in accordance with Annex A of the 12th Foreign Investment Negative List and precedent cases. The accreditation and operational requirements are now subject to the provisions of the 12th Foreign Investment Negative List, while the the submission of annual report is extended from 105 to 135 days from the end of its fiscal year.

Continued on page 10

✓ Before you invest, always remember to #CheckwithSEC. Report investment scams to the SEC Enforcement and Investor Protection Department at epd@sec.gov.ph.

EO CORNER

The Securities and Exchange Commission (SEC) ensures the efficient delivery of its services across the Philippines through its Extension Offices (EOs). Located in strategic locations in Baguio, Bacolod, Cagayan de Oro, Cebu, Davao, Iloilo, Legazpi, Tacloban, Tarlac, and Zamboanga, the EOs are vital in the Commission's fulfilment of its mandate of overseeing the corporate sector and protecting investors from fraudulent investment schemes.



Director Regina May Cajucum-De Guzman headed the 2023 Kapihan sa SEC, which highlighted the efforts of the Regional Law Enforcement Coordinating Committee Task Force against Investment Scams. Representatives from BSP, DTI, and DICT also shared their ongoing programs to protect the investing public.

BAGUIO



The Legazpi EO partnered with the Alas Catanduanes Eagles Club to enhance investor safeguards in the islands of Catanduanes, as part of efforts to extend financial literacy across diverse areas in Bicol. It also promoted consumer welfare and financial literacy in a free lecture during the DTI's Consumer Multi-Sectoral Forum.

LEGAZPI



The Tarlac EO conducted an investor education roadshow in Bataan Peninsula State University, where Director Richard R. Laus headed a lecture on personal finance, proper budgeting and spotting the red flags of investment scams that will help the students properly safeguard their money from investment fraud.

TARLAC



The Cebu EO underscored its commitment to sustainable business practices with the conduct of a forum on sustainability with the European Chamber of Commerce of the Philippines. The parties look to enhance corporate governance and contribute to the sustainable development of the business landscape in Cebu and beyond.

CEBU



Director Annabelle F. Corral-Respal served as the resource speaker in the Sugar Regulatory Administration's seminar on the Bawal Bastos Law, as the office actively collaborates with various LGUs and agencies to promote a safe and inclusive workplace culture.

BACOLOD



The Iloilo EO forged a strategic partnership with the Iloilo Investment Facilitation Network, comprised of government agencies responsible for licensing and regulatory services, to foster a more conducive business environment in Iloilo. The effort aims to streamline and expedite the process of doing business in the province.

ILOILO



Officer-in-Charge Desiree P. Cuenco shared valuable insights on the role and mandates of the SEC before executives and officers of the Philippine Chamber of Commerce and Industry, Tacloban-Leyte. She also shed light on the Commission's Amnesty program and the compliance procedures for companies with deficiencies.

TACLOBAN



The Cagayan de Oro EO forged ties with the Cagayan de Oro Chamber of Commerce and Industry Foundation, Inc (Oro Chamber) to mobilize start-ups in the city by encouraging registration with the SEC. The partnership will also alert registered businesses with on updates for their reportorial requirements.

CAGAYAN DE ORO



The Davao EO headed an investor education roadshow in Kidapawan City, where it also signed a memorandum of agreement with the City of Kidapawan, Cotabato Provincial Police Station, DTI Cotabato Province and the Kidapawan City Police to strengthen the Commission's campaign against investment scams and improve financial literacy.

DAVAO



The Zamboanga EO secured three new SEC Campaign Network partners and conducted six investor education seminars in the fourth quarter, including a roadshow at the Universidad de Zamboanga which was participated by over 200 students and teachers of the School of Business and Management.

ZAMBOANGA

SEC RULES

SEC Memorandum Circular

No. 22 Series of 2023

Issuance date: 28 November 2023

Guidelines on the Applications for Payment of Filing Fees and Annual Fees of Real Estate Investment Trusts (REIT) Fund Managers and their Respective Compliance Officers

This implements Rule 12, Section 3 of the Implementing Rules and Regulations of the REIT Act of 2009 and Rule 11, Section 3 of SEC Memorandum Circular No. 1, Series of 2020. It provides that the filing fee, upon initial application, for a REIT Fund Manager shall be P15,000 and P3,000 for his/her Compliance Officer. The annual fee for a REIT Fund Manager shall be 1/2000 of 1% of the total value of the assets of the REIT/s under management as of September 30 of the current year, but in no case shall be less than P30,000 nor more than P100,000, while it shall be P1,500 for his/her Compliance Officer. The application for payment of the annual fees shall be in accordance with the form prescribed by the Commission and to be paid on or before December 31 of each year.

SEC Memorandum Circular

No. 23 Series of 2023

Issuance date: 18 December 2023

Integration of MC28 s. 2020 and MC1 s. 2021 Compliance of Newly Registered Corporations with the eSPARC Regular and OneSEC Portals and the Automatic Enrollment to the eFast Portal

This integrates MC 28, Series of 2020 and MC 1, Series of 2021 concerning compliance of newly registered corporations via the eSPARC regular and OneSEC portals and the automatic enrollment in the eFAST. The SEC issued this memorandum circular in accordance with the Commission's commitment to adhere to sustainable practices by streamlining and automating processes. Upon effectivity, all applicants for registration through eSPARC and OneSEC shall be deemed to have complied with a) provisions of MC 28, on the creation and/or designation of an official e-mail account and cellphone number for transactions with the Commission; and b) provision of MC 1, on the requirement for incorporators to disclose with the Commission the person or persons on whose behalf the registration of the corporation was applied for.

SEC MATTERS

Implementation of the Revised Sustainability Reporting Guidelines and Sustainability Report (SuRe) Form

Publicly listed companies are advised to maintain compliance with the provisions of SEC Memorandum Circular No. 4, Series of 2019, or the Sustainability Reporting Guidelines for Publicly Listed Companies, for the submission of Sustainability Reports covering the year 2023, or those due in 2024.

The SEC is scheduled to release the Revised Sustainability Reporting Guidelines and SuRe Form in 2024, which will be implemented for reports to be submitted for the following year, or in 2025.

Acceptance of Reviewed Interim Financial Statements in Registration of Securities for Initial Public Offering

The SEC reiterates that a corporation looking to conduct an initial public offering may submit Reviewed Interim Financial Statements (RIFS) in lieu of Audited Interim Financial Statements, to comply with the requirements for registration of the securities to be offered and sold to the public, as well as for the issuance of the permit to sell such securities.

The 2019 Revised SRC Rule 68 provides that RIFS "maybe accepted by the Commission provided that the registrant submits a written justification citing its constraints for having the interim financial statements audited and a certification that there has been no material event or transactions during the interim period that would necessitate the conduct of audit procedures." This takes into account the complexity of the procedures involved in preparing audited financial statements in relation to the timetable of public offerings and aligns with practices in other jurisdictions.

Submission of Impact Evaluation Report 2023

All financing and lending companies are directed to submit their Impact Evaluation Report (IER) to the SEC on or before 31 March 2024 using the form found in this link: forms.gle/vtm89SgFkmR0E2uFA.

The IER is part of the annual submission required of financing and lending companies, pursuant to SEC Memorandum Circular No. 3, Series of 2022, on the Implementation of Bangko Sentral ng Pilipinas Circular No. 1133, Series of 2021 on the Ceiling/s on Interest Rates and Other Fees Charged by Lending Companies, Financing Companies, and their Online Lending Platforms.



For inquiries and other concerns, head to the SEC Contact Center via the link <https://www.sec.gov.ph/contact-us/> or by scanning the QR code.

INVESTOR ALERTS

The SEC has issued advisories against the following entities for soliciting investments from the public without the necessary license from the Commission.

- Hope Advertisement Marketing/Hope Financial Marketing OPC
- Multi-Asset Solution and/or Multi Asset Financial Consultancy Services and/or JBF & Gainz Philippines Founder
- Morgan Stanley Investment Firm
- Elinyapp/Eliny-Ph.Com/Eliny_App
- Hoperices Investment
- 99Dragons PH
- Ayala Corporation Group, Inc. / Ayala Corporation Budgetarian Online Shop / Global Online Ayala Corporation / Bellavita Ayala Corporation / Ayala Corporation E Commerce
- Innov8wealth Global
- Double R Aggregates / Double R Trucking and Aggregates OPC
- Bonnie Mall
- Grind O'clock Corporation
- Upsolution Online Shop International
- Integrated Digital Success
- Hailey & Holley Spa and/or Ms. Ionie Mae Cruz Guzman
- 888 Partners Corp Budgetarian Online Shop
- 7-Eleven Electronic Commerce Limited/7-Eleven Electronic Commerce Limited – Passi Branch
- AJC 888 Inc
- DT Trading Data/Data Technology Trading Better Experience
- DT Trading/Data Technology Trading
- New Gen-Z Holdings Marketing Group
- Kamayo Seafoods Buffet/Kamayo Seafoods Franchising and Co-Ownership Program/Kamayo Food Park Co-Ownership Program
- Hedge Bit Trading Inc.
- Ztock Operated and Offered By Wetrade Technologies Pte Ltd
- Valero Energy Corporation Philippines
- Infinity8networks Digital Services OPC
- Trade City-Mall
- Mitrade
- Arcane Digital Marketing
- Octafx/Octa Trading
- Binance
- Kito-Kiko Variety Shop/Kito-Kiko Incorp.
- House of Forex / H. Flores Business Consultancy Services
- Foto Trading International
- Harvestctmall
- Crypface Limited/ Crypface Financial Consultancy Services
- DNKC Corporation
- Gainz Philippines
- S&M Ventures
- Prime Capital Solution
- Salon De Alexis
- Solace Ph
- Salon De Pamplona
- Jtradefx Foreign Exchange Service
- Goldia By Shine/Fujesan Distribution Corporation
- Pecado/ Ashtree Consultancy, Inc./ Ashtree Block Ventures Llc
- BNY Pal (Benta Paluwagan)



Scan the QR code or head on to the SEC website at www.sec.gov.ph to get a full list of entities that have been flagged by the Commission.

SEC PUBLICATIONS

Check out these other SEC publications to learn more about the Philippine capital markets, business sector, and overall economy.



DAILY MARKET UPDATES

bit.ly/SECMarketUpdates

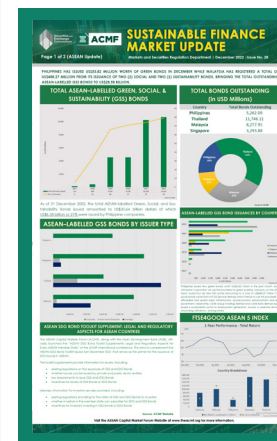


Track the movement of stock, bond, and commodity prices, as well as foreign exchange rates by tuning in to this daily publication by the SEC Markets and Securities Regulation Department. Daily updates are available for the Equity, Fixed Income, and Foreign Exchange and Commodities Markets.



SUSTAINABLE FINANCE MARKET UPDATE

bit.ly/SECSustainableFinance

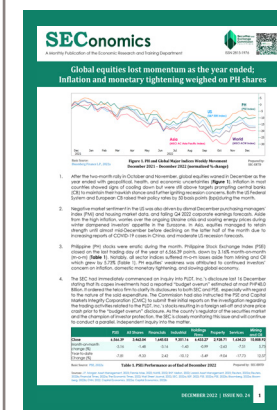


This monthly publication by the SEC Markets and Securities Regulation Department contains news on sustainable finance, as well as a rundown of green, social, and sustainability bonds issued in the Philippines and the ASEAN region for the period.



SECECONOMICS

bit.ly/SECEconomics



The SEC Economic and Research Training Department provides monthly updates on the Philippine economy, i.e. the country's economic growth, government spending, developments in the business sector, performance of capital markets, as well as other pertinent domestic and international news for the period.