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

SEC Memorandum Circular No. 4
Series of 2014.

TO : **All Concerned**

SUBJECT : **CRMD Guidelines on Refund and Re-application of Filing Fees and Excess Penalties**

To facilitate requests for refund and re-application of filing fees and excess penalties with the Company Registration and Monitoring Department (CRMD), the following guidelines are hereby adopted:

1. Requests for refund or re-application to future transactions of filing fees paid in relation to all applications, including petitions, and excess penalties paid relative to all monitoring conducted by the CRMD, may be made; *except,* in the instances as herein provided.

2. No request for refund or re-application of fees and penalties shall be entertained unless made in writing, signed by one of the incorporators or directors of the corporation, or one of the partners of the partnership, or their duly authorized representatives, and supported by original copy of receipt of payment of the filing fees or penalties sought to be refunded or re-applied.

3. Where the request for refund or re-application to future transactions is made relative to an application **withdrawn** prior to its approval, only fifty percent (50%) of the filing fees paid thereon shall be refunded or allowed to be re-applied to future transactions.

4. Where the amount to be refunded or re-applied to future transactions comes from **excess assessment of filing fees on applications**, resulting from error in the computation thereof, the total excess amount paid may be refunded or re-applied to future transactions.

5. Where the amount to be refunded or re-applied to future transactions comes from **excess assessment of filing fees on applications**, resulting from factors solely attributable to the corporation, refund or re-application to future transactions of the excess filing fees paid thereon shall not be allowed. In this case, the excess filing fee paid shall be deemed forfeited in favor of the Commission.

6. Where the amount to be refunded or re-applied to future transactions comes from **excess assessment of penalties**, resulting from the corporation's late or non-submissions of its prior compliance/s (*e.g. non-submission of proof of prior penalties paid for which reason, the corporation was penalized twice for the same violation*), the total excess penalty paid shall be refunded or re-applied to the corporation's future transactions.

7. Where the amount to be refunded or re-applied to future transactions comes from **excess assessment of penalties**, resulting from unreflected reports or approved applications in the SEC electronic records database, the total excess penalty assessed shall be refunded or re-applied to the corporation's future transactions.

8. Where the amount to be refunded or re-applied to future transactions comes from **excess assessment of penalties**, as a result of error in the computation thereof, the total excess penalty assessed shall be refunded or re-applied to the corporation's future transactions.

9. Where the applicant-corporation or partnership requests that its payments made be re-applied to its future transactions, the re-application shall be allowed only to future transactions of the corporation/partnership itself and not to transactions of its affiliates or subsidiaries; *except* where the payment was made relative to applications for dissolution which may be applied in the conditions as hereinafter provided.

10. In the case of applications for **dissolution later withdrawn** by the corporation/partnership with intention to continue with its term of existence, only fifty percent (50%) of the filing fees paid thereon shall be refunded or allowed to be re-applied to future transactions. In case of re-application to future transactions, the re-application shall be allowed only to future transactions of the corporation/partnership itself and not to transactions of its affiliates or subsidiaries.

11. In the case of applications for **dissolutions**, duly approved by the Department but where excess filing fees were assessed, the total excess filing fee paid may be refunded, or re-applied to future transactions of the corporation/partnership; or to its affiliates or subsidiaries, subject to the approval of the Supervising Commissioner of CRMD.

12. With respect to abandoned applications of corporations/partnerships due to inability to comply with the deficiencies noted upon review of the approving authority, 1st and 2nd Notices of Conference shall be sent to them on their principal office addresses.

Where the corporations/partnerships fail to comply with the notices, a final conference letter shall be sent with warning of abandonment. Thereafter, where the party still fails to comply with the directive of the final conference letter, a Notice of Abandonment shall be duly sent. In this case, the filing fee paid in relation to the abandoned application shall be deemed forfeited in favor of the Commission.

13. The foregoing rules shall apply to similar or analogous cases, as may be recommended by the Director of CRMD and subject to approval of the Supervising Commissioner.

14. All requests for refund or re-application to future transactions, of filing fees or penalties paid shall be subject to the approval of the Financial Management Department (FMD) of the Commission.

January 23 2014, Mandaluyong City , Philippines.

TERESITA J. HERBOSA
Chairperson