Securities and Exchange Commission
PHILIPPINES

SEC MEMORANDUM CIRCULAR NO. 11
Series of 2016

TO	:	**All CONCERNED**
SUBJECT	:	**SUBSCRIPTIONS CONTRACTS**
DATE	:	August 5, 2016

The Commission En Banc in its meeting held on August 2, 2016 had resolved to amend Item No. 2 of Memorandum Circular No. 6 series of 2012, which shall now be read, as amended, to wit:

TO ALL CONCERNED:

Consistent with the objectives of Republic Act 9485 (otherwise known as the Anti Red Tape Act of 2007), the Commission, in its meetings on July 12 and July 27, 2012, resolved to dispense with the following requirements in the registration activities set forth below:

1. **BANK CERTIFICATE OF DEPOSIT** - for registration of the Articles of Incorporation of new corporations where the subscription to the authorized capital stock is paid in cash; if a portion of the subscription is other than cash, the non-cash subscription shall be proven by the appropriate supporting documents;

2. **SPECIAL AUDIT REPORT** – for applications to increase the authorized capital stock of corporations where the subscription to the increase is paid in cash except (a) listed companies, (b) public companies defined in the Securities Regulation Code, (c) companies that offer or sell securities to the public, (d) where the payment to the subscription to the increase is more than **Fifty Million Pesos (P50,000,000.00)**;

   In lieu of such report, a notarized Subscription Contract **among** the stockholder/s, treasurer **and president for the corporation** stating the number of additional shares subscribed to and paid for shall be submitted by the corporation.

3. **PRIMARY ENTRY** - for Deed of Assignment in the registration of new corporations or increase in the authorized capital stock where land or real estate property is offered as consideration for subscription of shares of stock.

This Memorandum Circular shall take effect immediately.

August 5, 2016, Mandaluyong City.

TERESITA J. HERBOSA
Chairperson

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