SEC MEMORANDUM CIRCULAR NO. 15
Series of 2026

TO	:	**ALL CONCERNED**
SUBJECT	:	**FURTHER AMENDMENTS TO RULE 10.1.5 (PREVIOUSLY RULE 10.1.11 ON QUALIFIED BUYERS) OF THE 2015 IMPLEMENTING RULES AND REGULATIONS OF THE SECURITIES REGULATION CODE, AS AMENDED**

WHEREAS, Section 5.1 (b) of the Securities Regulation Code (SRC) provides that the Commission has the power to formulate policies and recommendations on issues concerning the securities markets;

WHEREAS, Rule 10.1.5 (previously Rule 10.1.11) of the 2015 Implementing Rules and Regulations of the SRC, as renumbered under SEC Memorandum Circular (MC) No. 11, s. of 2025 (2015 SRC Rules), identifies qualified buyers who possess the financial capacity and investment sophistication necessary to evaluate the risks associated with securities offerings that are exempt from registration;

WHEREAS, Rule 10.1.5 of the 2015 SRC Rules currently lays down different qualifications for qualified buyers who are natural persons and juridical persons, with juridical persons being required to, among others, have a total portfolio investment in securities registered with the Commission or financial instruments issued by the government of at least Sixty Million Pesos (Php 60,000,000.00);

WHEREAS, Rule 10.1.5 of the 2015 SRC Rules does not include financial instruments issued by the government among the securities to be considered in meeting the Ten Million Peso (Php 10,000,000.00) threshold of total portfolio investment for natural persons to be considered as Qualified Buyers;

WHEREAS, the existing framework for natural persons does not fully reflect the breadth of securities, including exempt securities, that may form part of an investor's portfolio for purposes of determining financial capacity;

WHEREAS, the Commission recognizes that investment portfolios of an investor may consist of a range of financial instruments, including securities registered with the Commission and securities exempt from registration;

WHEREAS, the Commission further recognizes that securities exempt from registration, including government securities, constitute a significant component of the Philippine capital markets and form a substantial portion of investment holdings and trading activity among market participants;

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Published on:
Philippine Daily Inquirer, 15 May 2026
Manila Bulletin, 15 May 2026

Filed with UP Law Center: 13 May 2026

WHEREAS, in order to facilitate diversification of investments by qualified individual and institutional buyers, the Commission finds it necessary to align the requirements imposed on natural persons and juridical persons seeking to be considered as qualified buyers; and

WHEREAS, Section 72 of the SRC vests upon the Commission the authority to issue, amend, and rescind rules and regulations and orders which are necessary or appropriate to the exercise of the powers conferred upon it in the SRC;

NOW, THEREFORE, the Commission hereby further amends Rule 10.1.5 of the 2015 SRC Rules, as follows:

SECTION 1. FURTHER AMENDMENTS TO RULE 10.1.5 (PREVIOUSLY 10.1.11) OF THE 2015 SRC RULES

10.1.5. Qualified Buyers Under Section 10.1 (l)(vi) of the Code

10.1.5.1. For purposes of Section 10 of the Code, a **natural person** shall be considered a qualified individual buyer if he has registered as such with entities that are authorized by the Commission to act as registrar of qualified buyers pursuant to the rules provided under SRC Rule 39.1.4.

A natural person must possess the following qualifications:

10.1.5.1.1. Has an annual gross income of at least Ten Million Pesos (Php 10,000,000.00 for at least two (2) years prior to registration; or a total portfolio investment in securities registered with the Commission **or securities exempt from registration under the Securities Regulation Code** of at least Ten Million Pesos (Php 10,000,000.00), or a personal net worth of not less than Thirty Million Pesos (Php30,000,000.00); and

10.1.5.1.2. Has been engaged in securities trading personally or through a fund manager for a minimum period of one (1) year; or has held for at least two (2) years a position of responsibility in any professional business entity that requires knowledge or expertise in securities trading, such as, legal consultant, financial adviser, sales person, or associated person of a broker-dealer, bank finance or treasury officer, trust officer or other similar executive officers.

10.1.5.2. If the buyer is a **juridical person**, it shall, at the time of registration with an authorized registrar, (i) have gross assets of at least One Hundred Million Pesos (Php 100,000,000.00) or (ii) a total portfolio investment in securities registered with the Commission **or securities exempt from registration under the Securities Regulation Code** ~~or financial instruments issued by the government~~ of at least Sixty Million Pesos (Php 60,000,000.00).

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10.1.5.5 For purposes of determining compliance with the financial capacity requirements under this Rule, where income, portfolio investments, net worth, or gross assets are held under joint accounts or arrangements involving two or more beneficial owners or principals, whether through individual, corporate, trust, or other similar structures, the evaluation shall be governed by the applicable ownership arrangement, as stated in SEC Memorandum Circular No. 10, s. of 2018, wherein:

i. A joint account with an "OR" or "AND/OR" arrangement shall be evaluated based on the income or portfolio investment or net worth or gross assets of each beneficial owner/principal.

ii. A joint account with an "AND" arrangement shall be evaluated based on the combined income or portfolio investment or net worth or gross assets of all the beneficial owners/principals.

iii. For both types of joint account, continuing compliance with the aforementioned qualifications is required. For the "OR" or "AND/OR" arrangement, each beneficial owner/principal shall continuously comply with the required aforementioned qualifications. Subsequent purchases of "OR" or "AND/OR" arrangements that have lost their qualified buyer status shall not be allowed.

10.1.5.6. Qualified buyers possess the financial capacity, investment sophistication, experience, and knowledge necessary to understand and assess the risks associated with investment instruments. Qualified buyers are expected to be capable to exercise independent judgment and due diligence in evaluating the suitability and risks of any investment.

SECTION 2. REPEALING CLAUSE. All other rules and regulations or parts thereof inconsistent with the foregoing rules and regulations are repealed, amended, or modified accordingly.

SECTION 3. EFFECTIVITY. This Circular shall take effect immediately upon its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation in the Philippines.

Done this 13th of May 2026, in Makati City, Philippines.

For the Commission:

FRANCISCO ED. LIM
Chairperson