

**SEC MEMORANDUM CIRCULAR NO. 6**

Series of 2026

TO : **ALL CONCERNED**  
SUBJECT : **EXPANDING THE COVERAGE OF SUBSCRIPTION CONTRACT**

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**WHEREAS**, the Commission issued Memorandum Circular No. 6 series of 2012, subsequently amended by Memorandum Circular No. 11 series of 2016, consistent with the objectives of Republic Act No. 9485 (otherwise known Anti Tape Act of 2007 issued on August 15, 2012 and August 5, 2016, respectively;

**WHEREAS**, item no. 2 of the said Memorandum Circulars dispensed with the requirement of Special Audit Report for applications to increase the authorized capital stock of corporations where subscription to the increase is paid in cash, except in the cases enumerated therein, including where the payments to the subscription to the increase is more than Fifty Million Pesos (P50,000,000.00);

**WHEREAS**, in *lieu of the submission of a Special Audit Report*, the same item provides that corporations may submit a notarized Subscription Contract executed by the subscriber(s), the President, and the Treasurer of the corporation;

**WHEREAS**, under Section 179(o) of the Revised Corporation Code of the Philippines (RCC), the Securities and Exchange Commission (the "Commission") is vested with the power and authority to formulate and enforce standards, guidelines, policies, rules and regulations to carry out the provisions of the RCC;

**WHEREAS**, the Commission is committed to improving regulatory efficiency and promoting the ease of doing business pursuant to Republic Act No. 11032, otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018, and Republic Act No. 9485, otherwise known as the Anti-Red Tape Act of 2007;

**WHEREAS**, in view of the foregoing and in the interest of administrative streamlining and regulatory efficiency, the Commission hereby expands the applicability of the notarized Subscription Contract in lieu of a Special Audit Report and thereby removes the Fifty Million Pesos (P50,000,000.00) paid-up capital threshold;

**NOW, THEREFORE**, the Commission hereby repeals the relevant provisions of SEC Memorandum Circular No. 11, Series of 2016, and establishes the following as the official guide for applications to **increase authorized capital stock where subscription payment is cash**:

**1. Submission Requirements:**

Corporations applying for increase in their authorized capital stock by way of cash shall submit:

- a. A **notarized Subscription Contract** executed by the subscriber(s), the President and the Treasurer of the corporation, specifying the number of additional shares subscribed to and paid for; and
- b. If the President and/or Treasurer are unavailable, a **Board Resolution** authorizing a Director or Officer to sign on their behalf.

## 2. Cases requiring a Special Audit Report

Notwithstanding the foregoing, the following corporations shall continue to submit a Special Audit Report:

- (a) listed companies;
- (b) public companies as defined under the Securities Regulation Code;
- (c) companies that offer or sell securities to the public; and
- (d) companies with secondary licenses as regulated by the Commission.

The foregoing enumeration shall not prejudice, impair, or otherwise limit the authority of the Commission, in the exercise of its regulatory powers, to require the submission of a Special Audit Report in circumstances other than those enumerated above, as may be necessary to prevent fraud in obtaining the approval of the Commission.

**Effectivity Clause.** This Circular shall take effect immediately upon completion of its publication in a newspaper of general circulation.

**Repealing Clause.** All laws, rules, and regulations, or parts thereof, particularly, the provisions of SEC Memorandum Circular No. 11, series of 2016, which are inconsistent with the provisions of this Circular are hereby deemed repealed, amended, or modified accordingly.

Done this 22 January, 2026, Makati City, Philippines.

For the Commission:

  
FRANCISCO ED. LIM  
Chairperson