



SEC MEMORANDUM CIRCULAR NO. 31
Series of 2020

TO: ALL CONCERNED

SUBJECT: NON-IMPOSITION OF FINES AND OTHER MONETARY PENALTIES FOR NON-FILING, LATE FILING AND FAILURE TO COMPLY WITH COMPULSORY NOTIFICATION AND OTHER REPORTORIAL REQUIREMENTS.

WHEREAS, Republic Act (RA) No. 11494, otherwise known as the “Bayanihan to Recover As One Act”, was signed into law on September 11, 2020 to accelerate the recovery and bolster the resilience of the Philippine economy through measures grounded on economic inclusivity, and collective growth through fiscal sustainability, among others.

WHEREAS, Sec. 4 of RA No. 11494 enumerates COVID-19 response and recovery interventions. Particularly, paragraph www of Sec 4 provides:


(www) Provision of regulatory relief during the effectivity of this Act for business entities by directing the SEC and other regulatory agencies to desist from imposing fines and other monetary penalties for non-filing, late filing, failure to comply with compulsory notification and other reportorial requirements relating to business activities and transactions that promote continuity and capacity-building in all sectors of the economy during the community quarantine (CQ).

NOW, THEREFORE, the Commission hereby promulgates the following guidelines to implement the above-cited directive from the President:

1. Violations for purposes of this Circular shall refer to non-filing and late filing of General Information Sheet (GIS) and Audited Financial Statement (AFS) including other reportorial requirements that the Commission may require, and non-compliance with compulsory notification.
2. For violations incurred that will fall due from 14 September 2020 until 19 December 2020, there will be no imposition of fines and other monetary penalties.
3. Corporations may still apply for monitoring from September 2020 until December 2020 to secure monitoring clearance.
4. Accordingly, all other violations that are incurred outside the covered period of 14 September 2020 until 19 December 2020 will result to computation of fines and penalties.
5. This Circular shall also apply to all Foreign Corporations except on matters pertaining to Securities Deposits and Change of Resident Agent whose guidelines shall observe SEC MC No. 24, Series of 2020.

This Memorandum Circular shall take effect immediately.

Signed this 5th day of November 2020, Pasay City, Philippines.


EMILIO B. AQUINO
Chairperson

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