



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

SEC MEMORANDUM CIRCULAR NO. ____
Series of 2012

TO : ALL CORPORATIONS ENGAGED IN NATIONALIZED OR PARTLY
NATIONALIZED ACTIVITIES

SUBJECT : GUIDELINES, RULES AND REGULATIONS ON REGISTRATION,
MONITORING, AND INVESTIGATION OF COMPLIANCE BY
CORPORATIONS ENGAGED IN NATIONALIZED AND PARTLY
NATIONALIZED ACTIVITIES WITH OWNERSHIP REQUIREMENTS
IN THE CONSTITUTION AND / OR EXISTING LAWS, AND
IMPOSING PENALTIES FOR VIOLATIONS THEREOF

WHEREAS, the Constitution, the Foreign Investments Act of 1991 ("FIA"), as amended, and other existing laws mandate that a certain percentage of ownership in corporations engaged in identified areas of activities and enterprises be reserved to Philippine Nationals;

WHEREAS, Section 15 of the Corporation Code of the Philippines ("Corporation Code") provides that a corporation which will engage in business or activity reserved for Filipino citizens shall include in its Articles of Incorporation a provision stating that no transfer of stock or interest which shall reduce the ownership of Filipino citizens to less than the required percentage of the capital stock as provided by existing laws, shall be allowed;

WHEREAS, Section 17 of the Corporation Code provides that the Securities & Exchange Commission may reject or disapprove articles of incorporation or amendments thereto if the percentage of ownership of the capital stock to be owned by citizens of the Philippines has not been complied with as required by existing laws or the Constitution;

WHEREAS, the FIA is the applicable law regulating foreign investments in nationalized or partly nationalized industries in the Philippines;

WHEREAS, the FIA, through the Foreign Investment Negative List ("FINL"), enumerates the areas of activities reserved to Philippine Nationals by mandate of the Constitution and specific laws under List A, and the areas of activities and enterprises regulated pursuant to law under List B;

WHEREAS, Section 14 of the FIA empowers the Commission to impose administrative sanctions provided therein for violation of the FIA and its implementing rules and regulations ("IRR");

WHEREAS, Section 3, Rule XVIII of the IRR of the FIA enables the Commission to adopt rules and regulations for the purpose of conducting hearings and investigations involving violations of the FIA and its IRR;

WHEREAS, Section 143 of the Corporation Code and Sections 5 and 72 of the Securities Regulation Code ("SRC") empower the Commission to promulgate rules and regulations that will enable it to implement the provisions and purpose of the Corporation Code and the SRC;

NOW, THEREFORE, the Commission hereby issues and promulgates the following guidelines, rules and regulations governing the registration, monitoring, and investigation of compliance by corporations engaged in nationalized or partly-nationalized activities with ownership requirements in the Constitution and/or existing laws, and imposing of penalties for violations thereof:

Sec. 1. TITLE. – This Circular shall be entitled as the "Guidelines, Rules and Regulations on Registration, Monitoring & Investigation of Compliance by Corporations Engaged in Nationalized or Partly-Nationalized Activities with Ownership Requirements in the Constitution and/or Existing Laws, and Imposing Penalties for Violations thereof," hereinafter referred to as "**Circular**".

Sec. 2. COVERAGE. - This Circular shall apply to all corporations engaged in identified areas of activities or enterprises specifically reserved, wholly or partly, to Philippine Nationals by the Constitution, the FIA and other existing laws.

Sec. 3. DEFINITION OF TERMS. - For purposes of this Circular, the term –

- a. "**Beneficial ownership**" refers to the enjoyment of all the benefits and privileges of ownership of shares including, but not limited to, the power to vote in the election of directors and/or in specific corporate matters, or to direct the voting of such shares; and the power to dispose of or to direct the disposition of such shares;
- b. "**Certificate of dual citizenship**" refers to a certificate issued by the Bureau of Immigration for natural-born citizens of the Philippines who have lost their Philippine citizenship by reason of their naturalization as citizens of a foreign country but have reacquired their Philippine citizenship pursuant to RA 9225 (Citizenship Retention and Re-acquisition Act of 2003);
- c. "**CFD**" refers to the Corporation Finance Department of the Commission;
- d. "**CRMD**" refers to the Company Registration and Monitoring Department of the Commission;
- e. "**Covered corporation**" refers to a domestic corporation engaged in a nationalized or partly nationalized activity as provided by the Constitution and/or existing laws;
- f. "**Commission**" refers to the Securities & Exchange Commission;
- g. "**Corporate Secretary**" refers to an officer of the covered corporation duly elected or appointed by its Board who performs such functions prescribed by law, its Articles of Incorporation, by-laws and/or Code of Corporate Governance, and who is responsible for filing and maintaining copies of all statutory returns, reports, disclosures, forms, documents and other papers filed with various government agencies; and to such other persons or agents acting on his behalf;
- h. "**Corporation Code**" refers to Batas Pambansa Blg. 68, otherwise known as the Corporation Code of the Philippines;
- i. "**Depository receipt**" refers to a derivative issued by a corporation having as Underlying Share/s the share/s of the said corporation or another corporation;
- j. "**Dual citizenship**" refers to a circumstance when, as a result of the concurrent application of the different laws of two or more states, a person is simultaneously considered a national by the said states;
- k. "**FIA**" refers to Republic Act No. 7042, as amended, otherwise known as the Foreign Investments Act of 1991, as amended;
- l. "**GIS**" refers to General Information Sheet;
- m. "**IPSD**" refers to the Investor Protection and Surveillance Department of the Commission;

- n. **"Issuer of registered securities"** refers to one which has sold a class of its securities pursuant to a registration under Section 12 of the Securities Regulation Code;
- o. **"MRD"** refers to Market Regulation Department of the Commission;
- p. **"Nationalized or Partly Nationalized Activities"** refers to those investment areas and/or activities reserved to Philippine Nationals that are enumerated in the FIA, applicable laws and other issuances;
- q. **"Operating Department"** refers to CRMD, CFD, MRD or IPSD, as the case may be;
- r. **"Philippine National"** refers to a citizen of the Philippines; or a domestic partnership or association wholly owned by citizens of the Philippines; or a corporation organized under the laws of the Philippines of which at least sixty percent (60%) of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines; or a corporation organized abroad and registered as doing business in the Philippines under the Corporation Code of which one hundred percent (100%) of the capital stock outstanding and entitled to vote is wholly owned by Filipinos, or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine national and at least sixty percent (60%) of the fund will accrue to the benefit of Philippine nationals: **Provided**, That where a corporation and its non-Filipino stockholders own stocks in a Securities and Exchange Commission (SEC) registered enterprise, at least sixty percent (60%) of the capital stock outstanding and entitled to vote of each of both corporations must be owned and held by citizens of the Philippines and at least sixty percent (60%) of the members of the Board of Directors of each of both corporations must be citizens of the Philippines, in order that the corporation, shall be considered a "Philippine national;"
- s. **"PSE"** refers to the Philippine Stock Exchange;
- t. **"Public company"** refers to any corporation with a class of equity securities listed on an Exchange or with assets in excess of Fifty Million Pesos (P50,000,000.00) and having two hundred (200) or more holders, at least two hundred (200) of which are holding at least one hundred (100) shares of a class of equity securities;
- u. **"SRC"** refers to Republic Act No. 8799, otherwise known as the Securities Regulation Code;
- v. **"SRO"** refers to Self-Regulatory Organization;
- w. **"Transfer Agent"** refers to a trust company, bank or similar financial institution, or any other entity assigned by a corporation to maintain records of investors and account balances and transactions, to cancel and issue certificates, to process investor mailings and to deal with any associated problems, among others.

Sec. 4. COMPLIANCE WITH THE FILIPINO/FOREIGN OWNERSHIP EQUITY REQUIREMENTS. - All covered corporations shall, at all times, observe the constitutional or statutory ownership restrictions for each class of shares; Provided that, if any class of shares is divided into series of shares and a particular series of shares has different rights, privileges, and limitations, the covered corporation must observe the same ownership restrictions for said series of shares.

Sec. 5. TRANSFER OF BENEFICIAL OWNERSHIP. - Any contract, agreement, arrangement, understanding, relationship, or means that has the effect of transferring beneficial ownership shall be submitted by the parties to the said transaction with the covered corporation, specifically through its Corporate Secretary, within five (5) business days from the date of the transaction; otherwise, the agreement is ineffective and unenforceable even as between the parties.

Thereafter, the covered corporation, through its Corporate Secretary, shall, within five (5) business days from its receipt of such contract, agreement, arrangement, understanding, relationship, or means, file the same with the Commission; otherwise, the beneficial owner of the shares involved in the said transaction shall be deemed a non-Philippine national.

Sec. 6. MONITORING OF EXEMPT TRANSACTIONS. – Notwithstanding the exemption of the transactions under Sec. 10 of the SRC from the registration requirement under Sec. 8 of the SRC, the covered corporations are required to report the said transactions to the Commission by filing a Notice of Exemption (SEC Form No. 10-1, as revised) within ten (10) business days from the date of the transaction, highlighting compliance with ownership restrictions.

Sec. 7. REPORTORIAL REQUIREMENTS FOR COVERED CORPORATIONS. – To monitor compliance with constitutional or statutory ownership restrictions, a covered corporation shall file its GIS within thirty (30) days from the date of the actual holding of its annual stockholders' meeting, or if none was held, within thirty (30) days from the date of the annual meeting stated in its by-laws of the immediately succeeding year or within such period or in such frequency as may be prescribed by the Commission.

If there are any changes in the composition of its stockholders, its Board or its officers, the covered corporation, through its Corporate Secretary, shall submit a GIS reporting such changes within five (5) business days from the occurrence thereof.

A covered corporation which is a public company or which is an issuer of registered securities shall, in addition to the GIS required herein to be submitted, file SEC Forms 17-A, 17-C and 17-Q within the periods specified in the Amended IRR of the SRC or within such period or in such frequency as may be prescribed by the Commission.

Sec. 8. CITIZENSHIP OF INCORPORATORS/STOCKHOLDERS; PROOF. – Proof of Filipino citizenship of an incorporator or stockholder of a covered corporation may be required by the Commission in the implementation of this Circular. Acceptable proof of Filipino citizenship shall include, but not be limited to, a copy of the birth certificate, passport, decree or order of naturalization, or certificate of dual citizenship issued by the Bureau of Immigration.

Sec. 9. DEPOSITARY RECEIPTS. –

9.1. RESTRICTIONS ON DEPOSITARY RECEIPTS. – A Depositary Receipt may be issued to Philippine and non-Philippine nationals, subject to the ownership restrictions prescribed by the Constitution, the FIA and other existing laws, and to the provisions of this Circular.

No covered corporation shall allow the conversion of Depositary Receipts into shares of such covered corporation when the ownership requirements under the Constitution, the FIA, other related laws and this Circular are breached.

For as long as the Depositary Receipts are not converted into shares, the Underlying Shares, including its voting rights, are and will continue to be registered in the name of and are considered owned by the owner of the Underlying Shares.

9.2. REVIEW AND APPROVAL BY CFD. – No covered corporation shall issue a Depositary Receipt, or enter into any contract or agreement permitting the use of its shares as Underlying Shares of local Depositary Receipts or foreign Depositary Receipts issued by another entity, unless the terms and conditions thereof or any amendment thereto have been reviewed and approved by the CFD.

The CFD shall take into consideration the following:

- (i) The fees and charges which may be imposed directly or indirectly against the holder of the depositary receipts, indicating the type of service, the amount of fee or charges, and to whom it is to be paid;
- (ii) The terms of deposit, including the provisions, if any, with respect to:
 - a) the amount of deposited securities represented by one unit of depositary receipts;
 - b) the procedure for voting the deposited securities;
 - c) the collection and distribution of dividends;
 - d) the transmission of notices, reports, and proxy soliciting material;
 - e) the sale or exercise of rights;
 - f) the sale or deposit of securities resulting from dividends, splits, or plans of reorganization;
 - g) the amendment, extension, or termination of the deposit;
 - h) the rights of holders of receipts to inspect the transfer books of the depositary and the list of holders of receipts;
 - i) the restrictions upon the right to deposit or withdraw the underlying securities; and
 - j) the limitations upon the liability of the depositary.

Sec. 9.3. REPORTING OF ISSUANCE AND CHANGE IN OWNERSHIP OF DEPOSITARY RECEIPTS. - Within five (5) business days from the date of its issuance or transaction, the covered corporation that issues the Underlying Shares shall file a report with the Commission every time Depositary Receipts using such Underlying Shares are issued or when there is any transfer of ownership thereof.

Sec. 10. APPLICATIONS FOR INCORPORATION AND AMENDMENTS TO THE ARTICLES OF INCORPORATION. - Prior to the approval of any application for incorporation or for amendments to the Articles of Incorporation, the CRMD may require the applicant corporation or covered corporation, as the case may be, to submit additional proof that will substantiate compliance with the ownership requirements provided in the Constitution and/or existing laws.

The CRMD shall not grant any petition for correction of nationality entries in the Articles of Incorporation if there is a finding of fraud and such correction would defeat, or result in the violation of, the ownership restrictions provided in the Constitution and/or existing laws.

Sec. 11. SYSTEM OF INTERNAL CONTROLS AND COMPLIANCE. - All covered corporations are directed to adopt a system of internal controls that will enable it to monitor and observe compliance with the provisions on ownership requirements provided in the Constitution, the FIA, its IRR, other applicable laws, rules and regulations and with the provisions of this Circular.

The Corporate Secretary of existing covered corporations shall submit, not later than March 31, 2013, an Affidavit of Attestation stating that the corporation has established a system of internal controls that enables it to ensure compliance with the ownership requirements in the Constitution, the FIA, its IRR and other applicable laws, rules and regulations, and with the provisions of this Circular; PROVIDED, that for newly registered covered corporations, their respective Corporate Secretaries shall submit such Affidavit of Attestation simultaneous with the submission of their first Audited Financial Statements.

Sec. 12. MONITORING OF COMPLIANCE, INVESTIGATION OF COMPLAINTS, CONDUCT OF HEARINGS AND IMPOSITION OF PENALTIES; OPERATING DEPARTMENTS. - The monitoring of compliance by the following covered corporations with the ownership restrictions provided in the Constitution and/or existing laws, the investigation of reports, preliminary findings and/or complaints, and the resolution of the corresponding case after due notice and hearing, including the imposition of penalties, if any, for violation of the ownership restrictions in the Constitution, the FIA, its IRR and other existing laws and for violation of this Circular, shall be performed by the following Operating Departments:

Operating Department	Covered Corporations
CFD	Listed or public companies; issuers of equity securities and bonds, mutual funds, real estate investment trusts, exchange-traded funds, and other alternative investment products
IPSD	Non-listed or non-public financing companies; lending companies, issuers of proprietary shares and foundations
MRD	Brokers, dealers, investment houses, investment company advisers, government securities eligible dealers, transfer agents, mutual fund distributors, exchanges, SROs and other market participants
CRMD	All other covered corporations

Sec. 13. PROCEDURE. - The Operating Department concerned, *motu proprio* or upon verified complaint, may initiate proceedings against a covered corporation for violation of the ownership restrictions in the Constitution, the FIA, its IRR and other existing laws and for violations of this Circular.

In case proceedings are initiated *motu proprio*, e.g. through documents or information obtained directly from the general public other than by verified complaint, and/or from the filings of covered corporations, the Operating Department concerned shall conduct the appropriate investigation. Should there be an initial/preliminary finding of a violation, the Operating Department concerned shall issue a show cause order against the corporation.

In case proceedings are initiated through a verified complaint, the procedure as provided in the Rules of Procedure of the Commission shall apply.

In both instances, the Operating Department concerned shall, after due notice and hearing, resolve the case or complaint.

The Order of the said Operating Department shall be appealable to the Commission *En Banc* in accordance with the Rules of Procedure of the Commission.

Sec. 14. PROHIBITED ACTS AND PENALTIES. -

14.1 PROHIBITED ACTS. - The following acts or omissions of the covered corporation, through its Corporate Secretary or other responsible officers, shall be deemed as violations of this Circular:

- (a) Non-submission within the prescribed period of the reportorial requirements specified in Sections 5, 6, 7, 9 and 11 of this Circular;
- (b) Making false, untrue, misleading or fraudulent statements in the reports, documents or papers required to be submitted pursuant to this Circular, including but not limited to the GIS, SEC Form 17-A, SEC Form 17-Q, SEC Form 17-C, the Affidavit of Attestation, the Notice

of Exemption and such other reports, documents or papers as may be required by the Commission pursuant to this Circular;

- (c) Issuing of Depositary Receipts without prior approval of the terms and conditions thereof or any amendments thereto by the CFD;
- (d) Entering into any contract or agreement allowing the use of its shares as Underlying Shares of local Depositary Receipts or foreign Depositary Receipts issued by another entity, without prior approval of the terms and conditions thereof, or any amendments thereto, by the CFD;
- (e) Allowing the conversion of Depositary Receipts into shares of a covered corporation when the ownership requirements under the Constitution, the FIA, other related laws and this Circular are breached;
- (f) Non-compliance with the ownership restrictions prescribed pursuant to Section 4 of this Circular; and
- (g) All other acts or omissions in violation of the provisions and the purpose of this Circular.

14.2 **PENALTIES** – In addition to the penalties provided for under existing Rules and Circulars of this Commission, the following are the penalties to be imposed, after notice and hearing:

14.2 (a) - For violation of Section 14.1 (e) and (f) of the preceding Section in relation to Section 4 of this Circular, the covered corporation shall be penalized as follows:

FIRST VIOLATION: It shall be subject to a fine in an amount equivalent to 1/5 of 1% of the total paid-in equity capital but not exceeding Two million five hundred thousand pesos (P2,500,000.00). The President, Chief Executive Officer, the Corporate Secretary and/or officers responsible therefor shall each be subject to a fine not exceeding One hundred thousand pesos (P100,000.00).

SECOND VIOLATION: It shall be subject to a fine in an amount equivalent to 1/2 of 1% of the total paid-in equity capital but not more than Five million pesos (P5,000,000.00). The President, the Corporate Secretary and/or officers shall each be subject to a fine not exceeding Two hundred thousand pesos (P200,000.00).

THIRD VIOLATION: The covered corporation's Certificate of Registration may, after due notice and hearing, be revoked in appropriate proceedings before the Commission.

The imposition of penalties in accordance with the foregoing paragraphs, including the revocation of the covered corporation's Certificate of Registration, shall not preclude the institution against the President, Chief Executive Officer, Corporate Secretary and/or its responsible officers of other appropriate administrative and criminal actions under other applicable laws, rules and regulations.

For purposes of the provisions of this Section, "paid-in equity capital" refers to the total investment in a business that has been paid-in in a corporation, which may be in cash or property. It shall also refer to inward remittance or assigned capital in the case of foreign corporations.

14.2 (b) - For violation of Section 14.1 (a) of the preceding Section, the covered corporation shall be penalized as follows:

FIRST VIOLATION: It shall be subject to a fine in an amount equivalent to 1/10 of 0.5% of the total paid-in equity capital but not less than Five thousand pesos (P5,000.00), plus not more than Two hundred pesos (P200.00) for each day of continuing violation,

PROVIDED, that the total penalty shall not exceed Five million pesos (P5,000,000.00). The Corporate Secretary and/or responsible officers shall each be subject to a fine not exceeding One hundred thousand pesos (P100,000.00).

SECOND VIOLATION: It shall be subject to a fine in an amount equivalent to 1/5 of 0.5% of the total paid-in equity capital but not less than Ten thousand Pesos (P10,000.00), plus not more than Five hundred pesos (P500.00) for each day of continuing violation, PROVIDED, that the total penalty shall not exceed Five million pesos (P5,000,000.00). The Corporate Secretary and/or responsible officers shall each be subject to a fine not exceeding One hundred fifty thousand pesos (P150,000.00).

THIRD VIOLATION: It shall be subject to a fine in an amount equivalent to 1/2 of 0.5% of the total paid-in equity capital but not more than Five million Pesos (P5,000,000.00), plus not more than One thousand pesos (P1,000.00) for each day of continuing violation, PROVIDED, that the total penalty shall not exceed Five million pesos (P5,000,000.00). The Corporate Secretary and/or responsible officers shall each be subject to a fine not exceeding Two hundred thousand pesos (P200,000.00).

FOURTH VIOLATION: The covered corporation's Certificate of Registration may, after due notice and hearing, be revoked in appropriate proceedings before the Commission.

Notwithstanding the payment of a fine by the covered corporation under the first, second or third violation, where the covered corporation continues to commit the same prohibited act, its certificate of registration may, after due notice and hearing, be revoked in an appropriate administrative proceeding.

The imposition of penalties in accordance with the foregoing paragraphs, including the revocation of the covered corporation's Certificate of Registration, shall not preclude the institution against the Corporate Secretary and/or its responsible officers of other appropriate administrative and criminal actions under other applicable laws, rules and regulations.

For purposes of the provisions of this Section, "paid-in equity capital" refers to the total investment in a business that has been paid-in in a corporation, which may be in cash or property. It shall also refer to inward remittance or assigned capital in the case of foreign corporations.

14.2 (c) - For violation of Sections 14.1 (b), (c), (d) and (g) of the preceding Section, the covered corporation shall be penalized as follows:

FIRST VIOLATION: It shall be subject to a fine in an amount equivalent to 1/10 of 1% of the total paid-in equity capital but not less than Five thousand pesos (P5,000.00), and not exceeding a total of Five million pesos (P5,000,000.00). The President, Chief Executive Officer, Corporate Secretary and/or responsible officers shall each be subject to a fine not exceeding One hundred thousand pesos (P100,000.00).

SECOND VIOLATION: It shall be subject to a fine in an amount equivalent to 1/5 of 1% of the total paid-in equity capital but not less than Ten thousand Pesos (P10,000.00), and not exceeding a total of Five million pesos (P5,000,000.00). The President, Chief Executive Officer, Corporate Secretary and/or responsible officers shall each be subject to a fine not exceeding One hundred fifty thousand pesos (P150,000.00).

THIRD VIOLATION: It shall be subject to a fine in an amount equivalent to 1/2 of 1% of the total paid-in equity capital but not more than Five million Pesos (P5,000,000.00). The President, Chief Executive Officer, Corporate Secretary and/or responsible officers shall each be subject to a fine not exceeding Two hundred thousand pesos (P200,000.00).

FOURTH VIOLATION: The covered corporation's Certificate of Registration may, after due notice and hearing, be revoked in appropriate proceedings before the Commission.

The imposition of penalties in accordance with the foregoing paragraphs, including the revocation of the covered corporation's Certificate of Registration, shall not preclude the institution against the Corporate Secretary and/or its responsible officers of other appropriate administrative and criminal actions under other applicable laws, rules and regulations.

For purposes of the provisions of this Section, "paid-in equity capital" refers to the total investment in a business that has been paid-in in a corporation, which may be in cash or property. It shall also refer to inward remittance or assigned capital in the case of foreign corporations.

14.3. NON-DELEGATION OF THE CORPORATE SECRETARY'S FUNCTIONS. - The Corporate Secretary cannot delegate the responsibility of complying with the provisions of this Circular without the express authority from the Board of Directors or Trustees, as the case may be. Notwithstanding the delegation of such responsibility to other officers, the Corporate Secretary and such officer acting on his behalf shall be jointly and severally liable for the penalties for the violations provided herein.

Sec. 15. PSE, SROs AND TRANSFER AGENTS. -

15.1 REPORTING OBLIGATIONS OF TRANSFER AGENTS. - The transfer agent shall report to the PSE, or any other SROs when applicable, any transfer of ownership of shares of covered listed corporations within such period as prescribed by PSE Rules or those of the applicable SRO.

15.2 PSE, SROs; RULES AND REGULATIONS. - For purposes of monitoring compliance by listed companies with this Circular, the PSE and any other SROs when applicable, shall, within a period of sixty (60) days from the effectivity of this Circular, submit to this Commission for review and approval, their respective Rules and Regulations, and internal controls and systems, including the reporting obligations of transfer agents, to ensure compliance with ownership requirements under this Circular.

Sec. 16. TRANSITORY PROVISION. - All provisions in this Circular shall immediately apply to all covered corporations upon effectivity of the same; PROVIDED: that all existing covered corporations which are non-compliant with Section 4 hereof upon such effectivity shall be given a period of not more than five (5) years from and after the date of the effectivity of this Circular within which to meet the said ownership requirements. Such non-compliant covered corporations shall no longer allow any transfer of shares that would result in increasing its present foreign ownership.

Sec. 17. SEPARABILITY OF PROVISIONS. - Should any provision of this Circular or any part thereof be declared invalid or unconstitutional, the other provisions, so far as they are separable, shall remain in force.

Sec. 18. REPEALING CLAUSE. - All provisions of other Circulars, issuances and opinions of this Commission and/or its officers, insofar as they are inconsistent with the provisions of this Circular, are hereby repealed.

Sec. 19. EFFECTIVITY CLAUSE. - This Circular shall take effect fifteen (15) days after the date of the last publication in two (2) national newspapers of general circulation in the Philippines.

- Nothing Follows -