SEC MEMORANDUM CIRCULAR NO. 4
Series of 2025

SUBJECT: THE SEC RULES ON CRYPTO-ASSET SERVICE PROVIDERS (SEC CASP RULES)

WHEREAS, the Philippines is experiencing a widespread adoption of crypto-assets. According to various studies, the Philippines ranks high in cryptocurrency adoption compared to other jurisdictions. This new class of assets has various characteristics and use cases, one of which is as an investment product;

WHEREAS, according to the Philippine Statistics Authority, the total Philippine population amounts to 109,035,343 persons with an average age of 25.3 years old, based on the findings of the 2020 Census of Population and Housing (2020 CPH). At the same time, it is estimated that 562,000,000 cryptocurrency users globally as of 2024, the average age of users being 24-35 years old;

WHEREAS, based on the data in The 2024 Geography of Crypto Report of Chainalysis, from the period of July 2023 - June 2024 there was an estimated $40,000,000,000.00 (40 billion USD) worth of cryptocurrency value received by the Philippines;

WHEREAS, the continued growth and development of new crypto-asset markets, services, and business models relies on clear, proportionate, and robust regulatory frameworks, which can ensure that markets are fair, efficient, and transparent. Financial consumers and investors rely on trustworthy intermediaries to transact with. This necessitates due regard for financial and operational resilience, transparency for consumers over applicable risks, redress for complaints, as well as measures to ensure proactive management of specific risks and characteristics of digital platforms and crypto-asset technology. In alignment with international standards, the SEC is establishing an affirmative legal framework to provide protection against consumer harms and systemic risks and to afford consumers the choice of engaging in crypto-asset activity with licensed and authorized intermediaries;

WHEREAS, the International Organization of Securities Commissions (IOSCO) has released policy recommendations for the regulation of crypto and digital assets to support greater consistency with respect to regulatory frameworks and oversight in IOSCO member jurisdictions, to address concerns related to market integrity and investor protection arising from crypto-asset activities. The Recommendations have been developed under the stewardship of the IOSCO Board's Fintech Task Force (FTF) in accordance with IOSCO's Crypto-Asset Roadmap published in June 2022. The recommendations cover the range of activities, in crypto-asset markets that involve Crypto-Asset Service Providers, from offering, admission to trading, ongoing trading, settlement, market surveillance and custody as well as marketing and distribution (covering advised and non-advised sales) to retail investors;

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WHEREAS, section 37 of Republic Act 8799, otherwise known as the Securities Regulation Code (SRC), mandates the SEC to encourage competitiveness in the market by promulgating rules for the registration and licensing of innovative and other trading markets or Exchanges including the issuance and trading of innovative securities and technology-based ventures;

WHEREAS, section 6 of Republic Act No. 11765, otherwise known as the Financial Products and Services Consumer Protection Act (FCPA), provides that the SEC has the power to formulate rules and standards for the purpose of applying the provisions of the FCPA to specific financial products or services within the Philippine jurisdiction, guided by internationally accepted standards and practices, and may also issue rules of procedure;

WHEREAS, the FCPA widens the scope of financial regulators' authority over financial service providers to ensure investor protection, which includes market conduct surveillance and examination, market monitoring, and enforcement powers;

NOW, THEREFORE, the Commission hereby issues and promulgates the following Rules on Crypto-Asset Service Providers.

Section 1. Definition of Terms – As used in these Rules:

1.1 **Airdrop:** a distribution of a crypto-asset to digital wallets for free. The airdrop shall not be considered free if the receiver of a crypto-asset from the airdrop receives any value, data, or non-monetary benefits from prospective holders in exchange for that crypto-asset.

1.2 **Commission or SEC:** the Securities and Exchange Commission of the Philippines.

1.3 **Crypto-Asset:** a cryptographically secured digital representation of value or of a right that relies on a cryptographically secured distributed ledger or a similar technology to validate and secure transactions that can be transferred, stored, or traded electronically.

1.3.1 For the purposes of these Rules, crypto-assets are classified as financial products defined under Section 3(c) of the FCPA, specifically investments, in relation to the scope of supervision of the Securities and Exchange Commission.

1.4 **Crypto-Asset Exchange:** an entity that, as a business, offers or engages in the operation of a crypto-asset trading venue.

1.5 **Crypto-Asset Intermediary:** an entity that, as a business, offers or engages in crypto-asset intermediation activities.

1.6 **Crypto-Asset Intermediation activities:**

1.6.1 **Advising** – offering, giving, or agreeing to give personalized recommendations to a client, either at the client's request or on the initiative of the CASP providing the advice, in respect of one or more transactions relating to crypto-assets or the use of crypto-asset services;

1.6.2 **Dealing Services** – the conclusion of purchase or sale contracts concerning crypto-assets with clients for funds or other crypto-assets by using proprietary capital;

1.6.3 **Order Execution** – the conclusion of agreements, on behalf of clients, to purchase or sell one or more crypto-assets or the subscription on behalf of clients for one or more crypto-assets, and includes the conclusion of contracts to sell crypto-assets at the moment of their offer to the public or admission to trading;

1.6.4 **Order Transmission** – the reception from a person of an order to purchase or sell one or more crypto-assets or to subscribe for one or more crypto-assets and the transmission of that order to a third party for execution;

1.6.5 Nothing in these Rules shall be construed as limiting the SEC's authority to further define crypto-asset intermediation activities or classify existing activities as crypto-asset intermediation activities in future rules or the CASP Guidelines.

1.7 **Crypto-Asset Financial Consumer:** a person or entity, or their duly appointed representative, who is a purchaser, lessee, recipient, or prospective purchaser, lessee, or recipient of crypto-assets or crypto-asset services. It shall also refer to any person, natural or juridical, who had or has current or prospective transactions with a crypto-asset service provider pertaining to crypto-assets or crypto-asset services.

1.8 **Crypto-Asset Securities:** a cryptographically secured digital representation of value or of a right that is being offered as securities, as defined under the SRC and other relevant laws and regulations, that rely on a cryptographically secured distributed ledger or a similar technology to validate and secure transactions, that can be transferred, stored, or traded, electronically. This includes, but is not limited to, the digital representation of securities.

1.9 **Crypto-Asset Service Provider or CASP:** an entity that, as a business, offers or engages in the provision of one or more crypto-asset services, including by making available a digital platform that provides those services.

1.10 **Crypto-Asset Services:** any or more of the following services and activities in relation to any crypto-asset:

- Offering crypto-assets to the public;
- Operating a crypto-asset trading venue;
- Crypto-asset intermediation activities; or
- Other services related to crypto-assets that may be determined by the Commission.

1.11 **Crypto-Asset Trading Venue:** the management of one or more multilateral systems to operate an organized market where crypto-assets are bought and sold.

1.12 **FCPA**: Republic Act. No. 11765, otherwise known as the Financial Products and Services Consumer Protection Act of 2022, and its Implementing Rules and Regulation.

1.13 **Initial Coin Offerings** or **ICO**: an activity or event and any subsequent activities or events in which a person or entity offers participants a unique digital "coin" or "token"

in the form of a crypto-asset in exchange for consideration for the purpose of fundraising. The tokens are issued and distributed on a blockchain or cryptographically secured ledger.

1.14 **Issuer:** a natural or legal person who issues crypto-assets.

1.15 **Marketing:** the act of communicating, offering, promoting, advertising, or delivering crypto-assets or crypto-asset services.

1.16 **Offeror:** a natural or legal person who offers crypto-assets to the public, which includes agents or representatives of the Issuer.

1.17 **Registration Statement**: the application for the registration of securities required to be filed with the Commission, as defined under the SRC.

1.18 **Securities:** as defined under Sec. 3.1 of the SRC and other applicable laws.

1.19 **SRC:** Republic Act No. 8799, otherwise known as the Securities Regulation Code of 2000, and its Implementing Rules and Regulations as amended.

Section 2. Coverage and Applicability

2.1 These Rules shall apply to all CASPs that are offering crypto-asset services and third-party service providers who engage in the marketing of crypto-assets and crypto-asset services.

2.2 These Rules shall apply to the implementation of the CASP Guidelines.

2.3 These Rules may be applied for the implementation of the SRC or the FCPA, if appropriate.

2.4 The provisions of these Rules are without prejudice to the issuances of other Philippine regulatory agencies in the exercise of their jurisdiction over activities related to crypto-assets.

Section 3. Rights of a Crypto-Asset Financial Consumer – These Rules seek to protect the following rights of a Crypto-Asset Financial Consumer:

3.1 Right to equitable and fair treatment;
3.2 Right to disclosure and transparency of crypto-assets and crypto-asset services;
3.3 Right to protection of consumer assets against fraud and misuse;
3.4 Right to data privacy; and
3.5 Right to timely handling and redress of complaints.

Section 4. Regulation of Crypto-Asset Services –

4.1 The Commission recognizes that crypto-assets may take the form of investment products when made available to the public by CASPs.

4.2 In furtherance of investor protection, promotion of fair trading, maintenance of financial integrity, and attainment of other regulatory objectives of the SEC, as well as considering the rights of a financial consumer, the Commission shall regulate and supervise the conduct of Crypto-asset Service Providers through the issuance of licenses and authorizations pertaining to crypto-asset services.

Section 5. Public Offering of Crypto-Assets in the Philippines – Crypto-assets shall not be sold, offered for sale, or distributed in the Philippines without complying with the provisions of these Rules and the CASP Guidelines.

5.1 A disclosure document relative to a Crypto-asset to be offered in the Philippines must be filed by the offeror with the SEC and published on the platform's website, social media account, and other means of communication not less than thirty (30) days before any marketing activities or the actual offering, whichever comes first.

5.2 The disclosure document shall include the following information:

5.2.1 Information about the offeror of the crypto-asset;

5.2.2 Information about the issuer of the crypto-asset, if different from the offeror;

5.2.3 The key features, risks, and prospects of the crypto-assets;

5.2.4 Rights and obligations attached to the crypto-assets (if any);

5.2.5 An outline of the underlying technology (including any protocol and consensus mechanism); and

5.2.6 Where applicable, details of the person who is seeking admission to trading on the crypto-asset trading venue.

5.3 Aside from the information mentioned in Section 5.2, the disclosure document must clearly and unambiguously contain the following statements:

5.3.1 On the first page, a clear and prominent statement declaring:

5.3.1.1 In case of offering:

"This Crypto-Asset Disclosure Document has not been approved by any regulatory agency in the Philippines. The offeror of the Crypto-asset is solely responsible for the content of this disclosure document."

5.3.1.2 In case of admission for trading:

"This Crypto-Asset Disclosure Document has not been approved by any regulatory agency in the Philippines. The person seeking admission to trading the Crypto-asset is solely responsible for the content of this disclosure document."

5.3.2 The crypto-asset may lose its value in part or in full;

5.3.3 The crypto-asset may not always be transferable;

5.3.4 The crypto-asset may not be liquid; and

5.3.5 The promises or obligations imposed by the issuer/offeror of the crypto-asset may not be fulfilled.

5.4 The crypto-asset disclosure document shall not contain any assertions as regards the future value of the crypto-asset other than the statement referred to in Section 5.3.

5.5 Crypto-assets may be sold, offered for sale, or distributed in the Philippines without complying with the Rules under this Section in the following cases:

5.5.1 Crypto-assets offered for purposes other than as a financial product, as defined under R.A. 11765 or the Financial Products and Services Consumer Protection Act, including but not limited to:

5.5.1.1 The crypto-asset is being offered for free. The offering shall not be considered free if the offeror of a crypto-asset receives any value, data, or non-monetary benefits from prospective holders in exchange for that crypto-asset.

5.5.1.2 The crypto-asset is automatically created exclusively as a reward for the maintenance of a distributed ledger to which it is connected or the validation of transactions on its related network;

5.5.1.3 The holder of the crypto-asset has the right to use it only in exchange for goods and services in a limited network of merchants with contractual arrangements with the offeror;

5.5.2 Crypto-assets offered in accordance with Section 6 of these Rules.

5.5.3 Crypto-assets offered in accordance with issuances or within the regulatory purview of other Philippine regulatory agencies.

5.5.4 Other crypto-assets offerings as may be determined by the SEC as exempt from this requirement.

5.6 In any case, the entity or person offering crypto-assets to the public must comply with Anti-Money Laundering laws and Rules, as provided in Section 8 of these Rules.

Section 6. Public Offering of Crypto-Asset Securities - Crypto-asset securities shall not be sold or offered for sale or distribution within the Philippines without a Registration Statement duly filed with and approved by the Commission, as provided by the SRC and other issuances by the SEC. Prior to such sale, information on the crypto-assets, in such form and with such substance as the Commission may prescribe, shall be made available to each prospective purchaser.

6.1 Initial Coin Offerings shall be covered by this section if the facts and circumstances, as well as the economic realities surrounding the offering, can be characterized as sales of securities as defined by the SRC, SEC issuances, and other relevant laws.

6.2 Any person or entity offering crypto-asset securities to the public must comply with Anti-Money Laundering laws and Rules, as provided in Section 8 of these Rules.

Section 7. Marketing of Crypto-Assets and Crypto-Asset Services -

7.1 No person or entity shall engage in the marketing or inducement to purchase crypto-assets or crypto-asset services unless they are registered as a corporation under Philippine laws and obtain the necessary licenses from the concerned regulatory agencies such as, but not limited to, the Commission and the Bangko Sentral ng

Pilipinas. Provided that, for the removal of doubt, the requirement to register as a corporation under Philippine laws does not extend to third-party service providers as described in the below Section 7.2.

7.2 A person or entity, as described in the previous section, may engage the services of a third-party service provider for the marketing or inducement of crypto-assets or crypto-asset services. Provided, that the third-party service providers may be any person or entity as disclosed to the Commission pursuant to Section 7.6.

7.3 Any form of inducement, endorsement, or solicitation may qualify as Marketing regardless of the media or channel through which it is made, and may include, but not limited to, the following:

7.3.1 Communications, publications, dissemination of any form of data, information, or content that is promotional, influenced, and/or sponsored material;

7.3.2 Social media posts, blogs, comments, non-written communications, banners, billboards, videos, podcasts, recordings, or live streams;

7.3.3 Events held in the Philippines that may facilitate the solicitation of clients or incentivize the use of any product and/or service related to any CASP Activity and/or the acquisition or disposal of any Crypto-asset;

7.3.4 Advertisements, sponsored editorials, paid or earned media, and all forms of publicity-driving content or materials, including branding and merchandise;

7.3.5 "Airdrops" or the issuance, giving, or transfer of a Crypto-asset; and

7.3.6 Educational content, including articles, papers, presentations, discussions, and tutorials, whether online, offline, audio, and/or visual, unless the educational content is made in good faith and purely for educational purposes.

7.3.6.1 It shall not be considered made in good faith and purely for educational purposes if the maker or publisher of the educational content receives any value, data, or non-monetary benefits for the creation of the educational content.

7.3.6.2 Provided further, however, it shall still be considered made in good faith and purely for educational purposes if the maker or publisher of the educational content receives any reasonable remuneration in relation to his capacity as an educator and for the production of the educational content.

7.3.6.3 If the educational content is not made in good faith, purely for educational purposes, and for free, then the maker or publisher of the educational content shall be considered an agent or third-party service provider of the CASP indicated in the educational content made. If the educational content does not make mention of any CASP, then the maker shall register as a financial adviser, as the case may be.

7.4 All forms of marketing of crypto-assets or crypto-asset services to the public must be in plain, clear, and concise language that accurately and sufficiently discloses the product or service provided as well as the associated risks in a manner that is not misleading in both substance and presentation.

7.4.1 Any and all marketing materials of CASPs or their third-party service providers must indicate that the material is registered with the Commission and the corresponding registration number.

7.5 A CASP shall be responsible for the acts or omissions of its directors, trustees, officers, employees, or agents in marketing crypto-assets or crypto-asset services. The CASP shall be solidarily liable with its authorized third-party service providers for acts or omissions in the marketing of products or services.

7.6 In the event that a CASP shall engage the services of a third-party service provider, the CASP shall disclose and submit to the Commission a list of its authorized third-party service providers that it has engaged for marketing activities. The entries in the list shall include the third-party provider's name/s, mode or method of marketing and promotion, verified contact details, and other information as may be required by the Commission.

The Commission shall have the authority to require their respective supervised CASPs and their third-party agents/service providers to submit reports or documents as needed.

Section 8. SEC AML Rules Compliance – All Crypto-Asset Service Providers (CASPs), including but not limited to entities facilitating initial coin offerings (ICOs), trading venues, and other intermediaries engaged in the issuance, exchange, custody, or management of crypto-assets, must comply with the requirements of the Anti-Money Laundering Act of 2001 (AMLA), as amended, its implementing rules and regulations, and the rules established by the Commission related to Anti-Money Laundering (AML), Countering the Financing of Terrorism (CFT), and Counter-Proliferation Financing (CPF).

8.1 For purposes of this regulation, CASPs shall be considered as covered persons under the AMLA and are therefore subject to the AML/CTF/CPF supervision and monitoring of the Securities and Exchange Commission (SEC) and the Anti-Money Laundering Council (AMLC).

Section 9. Visitorial Power of the Commission –

9.1 The Commission shall have the authority to exercise visitorial powers over all CASPs or third-party service providers, which powers shall include the examination and inspection of records, regulation, and supervision of activities, enforcement of compliance, and imposition of sanctions in accordance with these Rules, the CASP Guidelines, the SRC, the FCPA, and other laws implemented by the Commission together with each of their implementing rules and regulations.

9.1.1 Should the CASP or third-party service provider, without justifiable cause, refuse or obstruct the Commission's exercise of its visitorial powers, the Commission may revoke its registration as a CASP and/or certificate of incorporation, without prejudice to the imposition of other penalties and sanctions under these Rules, the CASP Guidelines, the SRC, the FCPA, and other laws implemented by the Commission together with each of their implementing rules and regulations.

9.2 The Commission may conduct surveillance and examination, on-site or off-site, on CASPs or third-party service providers, consistent with its risk-based supervision policies, to ascertain that the provisions of these Rules are complied with.

9.3 The CASP or third-party service provider shall afford to the Commission the full opportunity to examine their records and review their systems and procedures at any time during business hours when requested to do so.

Section 10. Enforcement Power of the Commission –

10.1 The Commission shall have the authority to impose enforcement actions on CASPs, third-party service providers, or unregistered entities for noncompliance with these Rules, the CASP Guidelines, and other existing laws pertinent to its jurisdiction and authority. Such enforcement actions may include the following:

10.1.1 Investigations to determine whether any person has violated or is about to violate any provisions of these Rules, the CASP Guidelines, the SRC, the FCPA, and other laws implemented by the Commission together with each of their implementing rules and regulations. The Commission may require or permit any person to file with it a statement in writing, under oath or otherwise, as it shall determine, as to all facts and circumstances concerning the matter to be investigated. The Commission may publish information concerning any such violations and to investigate any fact, condition, practice, or matter which it may deem necessary or proper to aid in the enforcement of the provisions of these Rules.

For the purpose of any such investigation, or any other proceeding under these Rules and Guidelines, the Commission or any officer designated by it, is empowered to administer oaths and affirmations, subpoena witnesses, compel attendance, take evidence, require the production of any book, paper, correspondence, memorandum, or other record which the Commission deems relevant or material to the inquiry, and to perform such other acts necessary in the conduct of such investigation or proceedings.

10.1.2 Disqualification and/or suspension of directors, officers, or employees of the CASP responsible for violation of any of the provisions of these Rules, the CASP Guidelines, the SRC, the FCPA, and other laws implemented by the Commission together with each of their implementing rules and regulations; and

10.1.3 Imposition of fines, suspension, or penalties for any noncompliance with or violation of these Rules, CASP Guideline, or orders of the Commission.

10.2 The Commission may issue a cease and desist order to the CASP after proper investigation or verification, motu proprio, or upon verified complaint by any aggrieved party. The CASP shall be afforded prior notice and hearing before the Commission may issue said order pursuant to these Rules; Provided, however, That the Commission may issue a cease and desist order to the CASP without the necessity of a prior hearing if in its judgment the act or practice, unless restrained, operates as fraud or may unjustly cause grave or irreparable injury or prejudice to the financial consumers or amounts to a violation of the provisions of these Rules, the CASP Guidelines, the SRC, the FCPA, and other laws implemented by the Commission together with each of their implementing rules and regulations.

The crypto-asset service provider shall be afforded an opportunity to defend its act or practice in a summary hearing before the Commission or its designated body, upon request made by the CASP within five (5) calendar days from its receipt of the order. If no such hearing is requested within the said period, the order shall be final. If a hearing is requested by the crypto-asset service provider, the proceedings shall be conducted summarily without adhering to the technical rules of evidence, and all issues shall be determined primarily on the basis of records, after which the Commission may either reconsider or finalize and execute its order.

10.3 The Commission may issue a contempt order, after due notice and hearing, against any CASP who fails or refuses to comply with any lawful order, decision, or subpoena issued by the Commission. Such CASP shall be fined in such reasonable amount as the Commission may determine, or when such failure or refusal is a clear and open defiance of the Commission's order, decision, or subpoena, its director, officer, employee, agent, or representative responsible for such defiance shall be detained under an arrest order issued by the Commission until such order, decision or subpoena is complied with.

10.4 The Commission may issue an order of suspension of operation of a CASP in relation to a particular service when, upon the judgment of the Commission and based on its findings, the CASP is operating in violation of the provisions of these Rules, the CASP Guidelines, the SRC, the FCPA, and other laws implemented by the Commission together with each of their implementing rules and regulations.

10.5 The Commission may issue an order requiring the accounting and disgorgement of profits obtained, or losses avoided, as a result of a violation of these Rules and the CASP Guidelines, as well as other relevant laws, including reasonable interest, in addition to the imposed fines and penalties.

10.6 The Commission may coordinate with other government agencies and digital service providers for the enforcement of the powers provided under these Rules and the CASP Guidelines and all other relevant laws being implemented by the Commission.

Section 11. Liability, Administrative Sanctions, Settlement Offers, and Independent Civil Action -

11.1 **Liability of a Crypto-Asset Service Provider on the Acts or Omissions of its Authorized Representatives.** – The CASP shall be responsible for the acts or omissions of its directors, trustees, officers, employees, or agents in marketing, distributing, and transacting with financial consumers for its crypto-asset or crypto-asset services. The CASP shall be solidarily liable with the accredited third-party service providers for their acts or omissions in marketing, distributing, and transacting with financial consumers for its crypto-asset services.

11.2 **Administrative Sanctions**.

11.2.1 The administrative sanctions of the Commission shall be made applicable to a CASP, its directors, officers, employees, representatives or agents for violation of these Rules, CASP Guidelines or any related rules, regulations, orders or instructions of the Commission; Provided, That for persons found

responsible, the Commission may impose a fine of no less than Fifty thousand pesos (P50,000.00) nor more than Ten million pesos (P10,000,000.00) for each instance of investment fraud plus not more than Ten thousand pesos (P10,000.00) for each day of continuing violation in addition to the other administrative sanctions under Section 54 of Republic Act No. 8799: Provided, further, that in case profit is gained or loss is avoided as a result of the violation of this rule or investment fraud, a fine not more than three (3) times the profit gained or loss avoided likewise be imposed by the Commission: Provided, finally, that in addition to the administrative sanctions that may be imposed, the authority of the CASP to operate in relation to a particular service may be suspended or cancelled by the Commission.

11.2.2 The imposition of the foregoing administrative sanctions shall be without prejudice to the filing of criminal charges against the individuals responsible for the violation.

11.2.3 The Commission shall have the power to issue writs of execution to enforce the provisions of this Section and to enforce payment of the fees and other dues collectible under these Rules and the CASP Guidelines.

11.3 **Settlement Offers. –**

11.3.1 At any time, during an investigation or proceeding under these Rules and the CASP Guidelines, parties being investigated and/or charged may propose in writing an offer of settlement with the Commission.

11.3.2 Upon receipt of such an offer of settlement, the Commission may consider the offer based on timing, the nature of the investigation or proceeding, and the public interest.

11.3.3 The Commission may only agree to a settlement offer based on its findings that such a settlement is in the public interest. Any agreement to settle shall have no legal effect until publicly disclosed. Such a decision may be made without a determination of guilt on the part of the person making the offer.

11.3.4 The Commission shall adopt rules and procedures governing the filing, review, withdrawal, form of rejection, and acceptance of such offers.

11.4 **Independent Civil Action.** – The Commission, consistent with public interest and protection of financial consumers, is authorized to institute an independent civil action on behalf of aggrieved financial consumers for violations of these Rules and the CASP Guidelines. If in any of these proceedings, the Commission obtains a civil penalty against any person or entity, or such person or entity agrees to settle such civil penalty, the amount of such civil penalty shall, on the motion of the Commission, be added to and become part of a disgorgement fund or other fund established for the benefit of the aggrieved financial consumer.

Section 12. Penalties. – Any person or entity who willfully violates the CASP Rules and Guidelines, the SRC, the FCPA, or any other laws, rules, regulations, or orders in relation to these rules, or instructions issued by the Commission to implement this Act, may be punished by imprisonment of not less than one (1) year, but not more than five (5) years, or by a fine of not less than Fifty thousand pesos (P50,000.00) but not more than Two million pesos (P2,000,000.00), or both, at the discretion of the court: Provided, That if the violation

is committed by a corporation or a juridical entity, the directors, officers, employees, or other officers who are directly responsible for such violation shall be held liable thereto.

Section 13. Applicability of certain laws and regulations - The provisions of the SRC, the FCPA, and its respective implementing rules and regulations, as well as other relevant rules and regulations issued by the Commission, shall have suppletory application insofar as they are applicable and not inconsistent herewith.

Section 14. Separability Clause - If any portion or provision of these Rules is held unconstitutional or invalid, all other provisions not thereby affected shall remain valid.

Section 15. Repealing Clause - All other rules and regulations or parts thereof, inconsistent with the foregoing Rules and regulations, are repealed, amended, or modified accordingly.

Section 16. Effectivity Clause - This Circular shall take effect within thirty (30) days after the completion of its publication in two (2) newspapers of general circulation.

Makati City, Philippines, 30 May 2025.

For the Commission:

EMILIO B. AQUINO
Chairperson