SEC Memorandum Circular No. 16
Series of 2020

TO : **ALL CONCERNED**

SUBJECT : **GUIDELINES ON AUTHENTICATION OF ARTICLES OF INCORPORATION IN APPLICATIONS FOR REGISTRATION OF NEW DOMESTIC CORPORATIONS**

WHEREAS, Section 13 of Republic Act No. 11232, otherwise known as the Revised Corporation Code of the Philippines, requires corporations to file with the Securities and Exchange Commission, hereinafter referred to as the "Commission," Articles of Incorporation, duly signed and acknowledged or authenticated, in such form and manner as may be allowed by the Commission;

WHEREAS, documents filed with a government office pursuant to a provision of law become public documents;

WHEREAS, bolstering ease of doing business in the Philippines, particularly with respect to starting a new corporate business, will be beneficial to the economy and may improve the business climate in the country;

WHEREFORE, as the gateway to doing business in the Philippines, the Commission resolved to adopt the following guidelines on the authentication of Articles of Incorporation for easy company registration:

SECTION 1. Scope. - These guidelines shall apply to the registration of new domestic corporations.

SEC. 2. *Authentication by Incorporators*. – The Commission will accept for registration Articles of Incorporation that are accompanied by a Certificate of Authentication signed by all incorporators in the form prescribed by the Commission.

The prescribed format of the Certificate of Authentication referred to in the immediately preceding paragraph is provided in Annex "A" of these guidelines, or as may be revised hereafter.

Through the mode of authentication provided under this section, both the Articles of Incorporation and the Certificate of Authentication need not be notarized nor consularized.

SEC. 3. *Acknowledgment Before A Notary Public.* – Notwithstanding the provisions of Section 2, the incorporators, if they so choose, may acknowledge the Articles of Incorporation before a notary public in accordance with the applicable laws and rules, and the same will likewise be accepted by the Commission.

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SEC. 4. ***Authentication of Articles of Incorporation Executed Abroad.*** – If executed outside the Philippines, the Articles of Incorporation may be: (1) apostilled in accordance with the 1961 Hague Convention Abolishing the Requirement of Legalisation for Foreign Public Documents, otherwise known as the "Apostille Convention;" or (2) notarized or authenticated by a Philippine diplomatic or consular officer, as the case may be.

SEC. 5. ***Registration of Foreign Investments***. - The application for registration of a new domestic corporation with more than forty percent (40%) foreign equity shall be accompanied by an application for registration of investments of non-Philippine national using SEC Form F-100, if applicable. The SEC Form F-100 must be authenticated in accordance with Section 4 above only if the same is executed outside the Philippines. Otherwise, no further authentication of said form is required.

SEC. 6. ***Obtaining Corporate Registration Through Fraud or Misrepresentation.*** – The registration of a corporation, which has procured its Certificate of Registration through fraud or misrepresentation, shall be revoked.

Furthermore, those responsible for the formation of a corporation through fraud, or who assisted directly or indirectly therein, shall be punished with a fine ranging from Two hundred thousand pesos (P200,000.00) to Two million pesos (P2,000,000.00). When the violation is injurious or detrimental to the public, the penalty shall be a fine ranging from Four hundred thousand pesos (P400,000.00) to Five million pesos (P5,000,000.00).

SEC. 7. ***Willful Certification of Incomplete, Inaccurate, False, or Misleading Statements or Reports.*** - Willfully certifying a report required under the Revised Corporation Code, knowing that the same contains incomplete, inaccurate, false, or misleading information or statements, shall be punished with a fine ranging from Twenty thousand pesos (P20,000.00) to Two hundred thousand pesos (P200,000.00). When the wrongful certification is injurious or detrimental to the public, the responsible person may also be punished with a fine ranging from Forty thousand pesos (P40,000.00) to Four hundred thousand pesos (P400,000.00).

SEC. 8. ***Separate Liability.*** - Liability for any of the foregoing offenses shall be separate from any other administrative, civil, or criminal liability under the Revised Corporation Code and other laws.

SEC. 9. ***Effectivity.*** - This Memorandum Circular shall take effect immediately after its publication.

April 29, 2020 Pasay City, Philippines.

For the Commission:

EMILIO B. AQUINO
Chairperson

CERTIFICATE OF AUTHENTICATION *ANNEX "A*

I/We, [**NAME/s OF INCORPORATOR/s**], [**NATIONALITY**], of legal age, and with office address at [**BUSINESS ADDRESS**], hereby certify that:

1. I/We am/are the incorporator/s and the duly appointed representative/s of [**NAME OF BUSINESS**], which is currently in the process of securing business registration;

2. I/We have read and understood the registration system's terms of use and privacy policy;

3. In pursuance of the application for corporate registration of [**NAME OF BUSINESS**], and after verification with all of the incorporator/s, the complete, true, and correct information has been ascertained and personally encoded by an authorized representative of the corporation through the registration system;

4. The fully-accomplished physical copies of the incorporation documents submitted in support of the application for registration have been reviewed by all incorporator/s and I/we confirm that the information indicated therein is complete, true, and correct, and that the same accurately reflects and matches the data already provided through the registration system;

5. The documents submitted will be subjected to a post-registration evaluation to determine compliance with the applicable laws, rules, and regulations;

6. Any defect in the Articles of Incorporation and/or Bylaws, as well as other incorporation document/s, shall constitute a valid ground for the revocation of the registration and cancellation of the certificate thus issued; Provided, however, that if the defect may be cured by a Petition for Correction, or an application for amendment, of the Articles of Incorporation and/or Bylaws, [**NAME OF BUSINESS**] will file the necessary remedial measure within ninety (90) days from receipt of notice of the defect;

7. Notice/s of proceedings relating to the registration of this company may be sent to the incorporators electronically through the following e-mail address : **[COMPANY E-MAIL ADDRESS]**;

8. I/We am/are fully aware that the formation of a corporation through fraud, as well as assisting directly or indirectly thereto, is punishable under Section 164 of the Revised Corporation Code, and that the willful certification of a report required under the Revised Corporation Code, knowing that the same contains incomplete, inaccurate, false, or misleading information or statements, is likewise punishable under Section 162 of the Revised Corporation Code; and

9. All of the incorporator/s whose name/s appear/s below executed the attached Articles of Incorporation, and other incorporation documents of [**NAME OF BUSINESS**] and that the same are my/our free and voluntary act and deed.

[**SIGNATURE**]
[**NAME OF INCORPORATOR**]
[**TIN**] or [**PASSPORT NO.**, if foreign]
[**DATE OF SIGNING**]

[**SIGNATURE**]
[**NAME OF INCORPORATOR**]
[**TIN**] or [**PASSPORT NO.**, if foreign]
[**DATE OF SIGNING**]