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

IN THE MATTER OF: PETITION FOR REVOCATION OF CERTIFICATE OF INCORPORATION OF LA FUERZA, INC.,

MARY JANE L. YU,
Petitioner-Appellant,

-versus-

LA FUERZA, INC., represented by its President, Prudencio N. Lim, Jr.,
Respondent-Appellee.
x----------x

SEC En Banc Case No. 10-12-270
For: Violation of Corporation Code and the SEC Guidelines on Reportorial Requirements

DECISION

Before the Commission En Banc is the appeal filed by Mary Jane L. Yu, Petitioner-Appellant, on October 25, 2012, praying for the reversal and setting aside of the Order of the Company Registration and Monitoring Department (CRMD), dated September 11, 2012, which denied Petitioner-Appellant's petition to revoke the Certificate of Registration of La Fuerza, Inc. (Respondent-Appellee), the dispositive portion of which states:

> "WHEREFORE, premises considered, the Petition for Revocation of the Certificate of Incorporation of LA FUERZA, INC. for non-compliance with the Commission's reportorial requirements is hereby DENIED.
>
> Further, respondent is directed to settle its penalties for non-compliance with reportorial requirements with the Compliance and Monitoring Division of this Department within fifteen (15) days from receipt of this Order.
>
> Failure of the respondent to comply with the directive shall be construed as willful defiance to a lawful Order of the Commission and shall cause the issuance of the Order of Revocation of its certificate of incorporation."

In the above-mentioned Order, the CRMD ruled that Respondent-Appellee has consistently submitted its reports within the prescribed period as required by law except: (1) the General Information Sheets (GIS) for 2010 and 2011 and (2) the Audited

Financial Statements (AFS) for the years 2008-2011, and, as a gesture of good faith, has undertaken to submit the required reports and to pay the penalties for the periods when it had been remiss in the submission. In fact, it already submitted its 2012 GIS and 2007 AFS. Thus, the CRMD found that revocation of franchise would be too drastic a penalty given the fact that the Respondent-Appellee is actively operating and is willing to comply with the Commission's reportorial requirements.

On December 4, 2012, Respondent-Appellee, represented by its President, Prudencio N. Lim, Jr., filed with the Commission its Reply Memorandum dated December 3, 2012 arguing that the appeal has no factual and legal basis, and hence, praying that the Commission dismiss the same and affirm the denial of the Petition for Revocation dated 7 February 2012.

On September 12, 2013, the Petitioner-Appellant filed a Manifestation, alleging that the Respondent-Appellee has miserably failed to comply with its commitment to submit the reportorial requirements, specifically its AFS from 2008 and onwards.

In reply to Petitioner-Appellant's Manifestion, Respondent-Appellee filed, on October 29, 2013, a Motion to Cause Issuance of Subpoena *Ad Testificandum*, dated October 25, 2013 against Petitioner-Appellant and Ms. Josephine L. Chang, Respondent-Appellee's Treasurer/Vice-President for Finance and the Intervenor in the assailed CRMD's Order, on the ground that they are sabotaging the prompt submission of the Respondent-Appellee's AFS.

In the meantime, **Petitioner-Appellant filed on October 29, 2013 a Motion to Withdraw Appeal, dated October 23, 2013**, alleging that during the board and the stockholders' meeting conducted on October 22, 2013, the new corporate officers of Respondent-Appellee informed her that there will be full compliance with the Commission's reportorial requirements. Petitioner-Appellant was sufficiently convinced by the new corporate officer's good faith and intention to duly submit the required reports within a reasonable period. Accordingly, she moved that the Commission allow the withdrawal of the appeal.

On November 4, 2013, Respondent-Appellee filed a Manifestation and Motion, dated November 4, 2013, reiterating that the Motion to Cause Issuance of Subpoena *Ad Testificandum* dated October 25, 2013 against Petitioner-Appellant and Chang be granted.

Eventually, on January 27, 2014, Respondent-Appellant, through Lim, filed another Manifestation and Motion, dated January 21, 2014, withdrawing the Motion to Cause the Issuance of Subpoena *Ad Testificandum* dated October 25, 2013.

The records of the Commission show that the Respondent-Appellee has already complied with the reportorial requirements stated in the assailed Order.

By virtue of the supervening events that transpired during the pendency of the case, the same has ceased to present a justiciable controversy.

WHEREFORE, premises considered, the Motion to Withdraw Appeal is **GRANTED**. Accordingly, the instant appeal is hereby **DISMISSED.**

SO ORDERED.

Mandaluyong City, Philippines; March 4, 2014.

TERESITA J. HERBOSA
Chairperson

MA. JUANITA E. CUETO
Commissioner

MANUEL HUBERTO B. GAITE
Commissioner

ELADIO M. JALA
Commissioner

ANTONIETA F. IBE
Commissioner