**SEC Memorandum Circular No. __12__**

Series of 2001

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Pursuant to the Special Resolution 103 series of 2001 of the En banc, dated September 12, 2001, the following is hereby adopted to implement the said resolution:

**A. <u>Mandatory tender offer</u>**

1. By virtue of the exemption from a mandatory tender offer to those who will acquire less than 35% of the equity of a public company within a period of 12 months, SRC Rule 19.1.2.a.i & ii, SRC Rule 19.1.2.b.i & ii are hereby suspended during the period of exemption.

2. Due to urgency of the situation and the need to effect the resolution immediately, any person who has availed of such exemption shall report to the SEC within five (5) days from acquisition of shares that would have been otherwise subject to the tender rule, i.e., acquisition of 15% or more of a public company pursuant to an agreement or a creeping acquisition of 30% or more over a 1 year period.

3. Effective October 1, 2001, the proposed acquisition under aforesaid liberalization must be published in a newspaper of general circulation by the purchaser and must be executed only after such publication.

4. Such acquisition shall likewise be subject to the reporting requirements by directors, officers and principal stockholders under SRC Rule 23.

**B. <u>Broker-Director Rule</u>**

1. By virtue of the temporary exemption from the broker-director prohibition under Sec. 30 of the SRC, any broker or dealer claiming such exemption must submit to the SEC a report that it has bought or sold for its own account or for its client shares in a corporation where any stockholder, director, associated person or authorized clerk of said broker or dealer and all their relatives within the fourth civil degree or consanguinity or affinity, is holding office in said company as director, president, vice-president, manager, treasurer, comptroller, secretary or any office of trust of responsibility or is a controlling person of the issuer. Such report must be submitted to the SEC within 5 days from the sale or purchase of such shares and shall include the number and value of shares traded and the relationship with the issuing company.

2. Submission of Form 30.1 is hereby suspended.

This circular shall be effective immediately.

September 18, 2001

Mandaluyong City

(Original Signed)
LILIA R. BAUTISTA
Chairperson