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ADVISORY

SERIES OF 2026

Change in the Rules for
Increasing Authorized Capital
Stock

SECURITIES AND EXCHANGE COMMISSION
Memorandum Circular No. 6 Series of 2026
January 22, 2026

CHANGE IN THE RULES FOR INCREASING AUTHORIZED CAPITAL STOCK

This Circular expands the applicability of the notarized Subscription Contract in lieu of a Special Audit Report and removes the Fifty Million Pesos (PhP50,000,000.00) paid-up capital threshold.

I. Documentary Requirements

The documentary requirements that need to be submitted by corporations applying for an increase in their authorized capital stock are as follows:

- a. Notarized Subscription Contract executed by the subscriber/s, the President and the Treasurer of the corporation specifying the number of additional shares subscribed to and paid for; and,
- b. Board Resolution authorizing a Director or Officer to sign on their behalf, if the President and/ or Treasurer are unavailable

II. Cases requiring a Special Audit Report

The following corporations shall continue to submit a Special Audit Report:

- a. Listed companies;
- b. Public companies as defined under the Securities Regulation Code;
- c. Companies that offer or sell securities to the public; and,
- d. Companies with secondary licenses as regulated by the Commission.

However, this list is not exclusive, nor does it limit the Commission from requiring the submission of the Special Audit Report in circumstances other than those mentioned.

III. Effectivity

This Circular shall take effect immediately upon completion of its publication in a newspaper of general circulation.

Source:
SEC Memorandum Circular No. 6 Series of 2026
January 22, 2026

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email us at info@bdbl.com.ph
or call +632 8403-2001
visit us at: www.bdbl.com.ph

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