

RE : Securities and Exchange Commission (“SEC”) *Notice*  
*Relaxing the Requirements for the Request of Extension of Filing*  
*of Annual Report and/or Audited Financial Statement*

DATE ISSUED : 18 March 2020

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#### WHAT DOES THIS MEAN ?



- This means that, because of the *Enhanced Community Quarantine* (“ECQ”), the SEC will allow corporations with *domestic operations* to submit their Annual Report (SEC Form 17-A) (“AR”) and/or Audited Financial Statement (“AFS”) until 30 June 2020, or sixty (60) days from the date of the lifting of the travel ban by the concerned government authorities, whichever comes later, for corporations with *domestic and international operations*, **without** requiring them to submit the sworn certifications of its president, treasurer, and external auditor.
- The submission of the AR and/or AFS was earlier set between 20 April to 22 May 2020, depending on the companies’ last digit on their registration or license number (SEC Memorandum Circular No. 2, Series of 2020), but was later on allowed to be submitted until 30 June 2020, or sixty (60) days from the date of the lifting of the travel ban by the concerned government authorities, whichever comes later, for corporations with *domestic and international operations* (SEC Memorandum Circular No. 5, Series of 2020), **provided** the corporations file a written request for the extension accompanied by the said sworn certifications.



#### HERE’S AN EXAMPLE :



- If Pasig-based ABC corporation operates a local manufacturing company, it is required to file its AR and/or AFS on or before 22 May 2020. If it wants to request for extension, it has to file a written request for that purpose accompanied by the sworn certifications of its president, treasurer, and its external auditor, stating and confirming that the corporation’s financial year-end is 31 December 2019, that it has significant business operations or significant subsidiaries in areas/countries/territories affected by COVID-19; and that the preparation of the FS and timely completion of statutory audit of the company’s FS as of 31 December 2019 have been affected by the travel restriction/ban, temporary suspension of business operations, and/or measures imposed by authorities or companies response to the COVID-10.



In light of **SEC Notice** dated 18 March 2020, however, ABC corporation will **no longer be required** to submit the sworn certifications of its president, treasurer, and external auditor (who may be affected by the **ECQ**), and may thus just submit the **AR** and **AFS**, by 30 June 2020, or sixty (60) days from the date of the lifting of the travel ban by the concerned government authorities, whichever comes later, if it has both domestic and international operations, without incurring any administrative penalty.

*Paolo S. Teston is a lawyer at M & Associates, a full-service firm located at Bonifacio Global City, Taguig City.*

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+63 (02) 8863-0601



[inquiry@m-associates.com](mailto:inquiry@m-associates.com)



<https://m-associates.com>