

AN ACT TO PROVIDE FOR A MORE EFFECTIVE ADMINISTRATION OF THE SECURITIES ACT AND OTHER LAWS BY THE SECURITIES AND EXCHANGE COMMISSION.

REPUBLIC ACT NO. 1143, June 17, 1954

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. In addition to the powers, duties and functions presently vested in it by existing laws, the Securities and Exchange Commission, hereinafter referred to as the Commission, shall have power:

- To punish summarily for contempt by a fine not exceeding two hundred pesos or by imprisonment not exceeding ten days, or both, any person guilty of misconduct in the presence of the Commissioner of Securities and Exchange or official thereof conducting a hearing or investigation or so near the same as to interrupt the proceeding before them, including cases in which a person present at a hearing or investigation held by either of the said Commissioner or official refuses to be sworn as a witness or to answer a question when lawfully required to do so. To enforce the provisions hereof, the Commission may, if necessary request the assistance of the Municipal Police for the execution of any order made by said Commissioner or official for the purpose.
- To penalize any violation of or non-compliance with any terms of conditions of any certificate, license, or permit issued by the Commission or of any order, decision, ruling or regulation thereof, by a fine of not exceeding two hundred pesos per day for every day during which such violation or default continues; and the Commission is hereby authorized and empowered to impose and collect such fine after due notice and hearing.

The fine so imposed shall be paid to the Government of the Philippines through the Commission, and failure to pay the fine within the time specified in order or decision of the Commission shall be deemed good and sufficient reason for the suspension of the certificate, license permit issued by the Commission until payment shall be made. In case the violation or default is committed by a corporation or association, the manager or the person who has charge of the management of the corporation or association and the officers or directors thereof who have ordered or authorized the violation or default shall be solidarity liable. Payment may also be enforced by appropriate action brought in a court of competent jurisdiction. The remedy herein provided shall not be a bar to, or affect any other remedy provided under existing laws but shall be cumulative and additional to such remedy or remedies.

- In any investigation or hearing, by its order in writing, to cause the depositions of witnesses residing within or without the Philippines to be taken in the manner prescribed by the Rules of Court. Where witnesses reside in a place distant from Manila and it would be inconvenient and expensive for them to appear personally before the Commission, the Commission may also by proper order, commission any clerk of Court of First Instance, municipal judge or justice of the peace of the Philippines to take depositions of such witnesses in any case pending before the Commission. It shall be the duty of the official commissioned, to designate promptly a date or dates for the taking of such depositions, giving timely notice the parties, and on said date to proceed to take the positions, reducing them to writing. After the deposits have been taken, the official so commissioned shall certify to the correctness of the depositions thus taken and forward the same as soon as possible to the Commission. It shall be

the duty of the respective parties to furnish stenographers for taking and transcribing the testimony taken. In case there are no stenographers available, the testimony shall be taken by such person as the clerk court, municipal judge or justice of the peace may designate. The Commission may also commission a notary public to take the depositions in the manner herein provided.

- To conduct all hearings and investigations in accordance with the rules adopted by the Commission, and in performing the same, it shall not be bound by technical rules of legal evidence.
- To act on complaints for any violation of law rule or regulation required to be enforced by it or for non-compliance of any term or condition of any certificate license, or permit issued by it, free of charge. Where however, the complaint or petition seeks the grant of affirmative relief, a nominal fee of ten pesos may be charged and collected by the Commission.
- Subject to the approval of the Department Head, to make such rules and regulations as may be necessary for the proper execution of all the laws administered by it.
- To require all corporations and associations whose certificates or permits to sell securities were lost during the last World War II, including those issued by the National Treasurer under the Blue Sky Law, to file new registration statements of such securities in accordance with such forms as may be provided by the Commission, for which it shall charge and collect a fee of one-twentieth of one per centum of the aggregate par or issued value of the securities.

SEC. 2. For the effective implementation of this Act, the position of Assistant in the Securities and Exchange Commission is hereby converted to that of Deputy Commissioner of the Securities and Exchange Commission, hereinafter known as Deputy Commissioner. The Deputy Commissioner shall be appointed by the President of the Philippines with the consent of the Commission on Appointments and shall receive a compensation of ten thousand pesos per annum. The Deputy Commissioner shall act in the absence, illness or incapacity of the Commissioner of Securities and Exchange and shall discharge such other functions and duties as may be entrusted to him by the latter. The Securities and Corporation Division of the commission shall hereafter be known as the Legal and Enforcement Division. Said Division shall have a chief shall be known as the Chief Legal Counsel and who shall receive a compensation of eight thousand four hundred pesos per annum, and eight attorneys, four of whom shall receive a compensation of five thousand four hundred pesos per annum each, and four, a compensation of four thousand five hundred pesos per annum each.

SEC. 3. The Commissioner, the Deputy Commissioner, the chiefs of division, and the attorneys of the Commission, shall have the power to administer oaths in all matters under the jurisdiction of the Commission.

SEC. 4. In addition to the sum already appropriated for the Commission under the General Appropriation Act for the fiscal year nineteen hundred and fifty-four and nineteen hundred and fifty-five, the sum of twenty-eight thousand one hundred eighty pesos, is hereby authorized to be appropriated out of any funds the National Treasury not otherwise appropriated for the purposes of this Act.

SEC. 5. All acts or parts of acts inconsistent with the provisions of this Act are hereby repealed.

SEC. 6. This Act shall take effect upon its approval.

Approved, June 17, 1954.

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