

AN ACT TO AMEND PARAGRAPHS NUMBERED TWO AND THREE OF SUBSECTION (A) OF SECTION FIVE, THE LAST PARAGRAPH OF SECTION EIGHT, THE LAST PARAGRAPH OF SECTION TWELVE, THE FIRST PARAGRA...

REPUBLIC ACT NO. 635, June 09, 1951

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

SECTION 1. Paragraphs numbered two and three of subsection (a) of section five of Commonwealth Act Numbered Eighty-three are hereby amended to read as follows:

"2. Any security issued or guaranteed by the Government of the Philippines, or by any political subdivision or agency of said Government, or by any of its public instrumentalities, or by any person controlled or supervised by, and acting as an instrumentality of said Government, or any certificate of deposit for any of the foregoing; of any security issued or guaranteed by any banking institution authorized to do business in the Philippines, the business of which is substantially confined to banking, and is supervised by the Bureau of Banking."

"3. Any security issued or guaranteed by any foreign government with which the Philippines is, at the time of the sale or offer of sale thereof, maintaining diplomatic relations, or by any state, province or political subdivision thereof having the power of taxation or assessment, which security is recognized at the time it is offered for sale in the Philippines as a valid obligation by such foreign government or by such state, province or political subdivision thereof issuing the same."

SEC. 2. The last paragraph of section eight of Commonwealth Act Numbered Eighty-three is hereby amended to read as follows:

"SEC. 8. Suspension of registration.-

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"In the event of the entry of such order of suspension, the Commission shall give a prompt hearing to the parties interested. If upon such hearing, the Commission shall determine that the sale of any such security should be revoked on any ground specified in section twelve, it shall enter a final order prohibiting sales of such security, with its findings with respect thereto. Until the entry of such final order, the suspension of the right to sell, though binding upon the persons notified thereof, shall be deemed confidential, and shall not be published, unless it shall appear that the order of suspension has been violated after notice. Appeals from such final order may be taken to the Supreme Court in the manner provided in this Act. If, however, upon such hearing the Commission shall find that the sale of the security will neither be fraudulent nor result in fraud, it shall forthwith enter an order revoking such order of suspension, and such security shall be restored to its status as a security registered under this Act, as of the date of such order of suspension,"

SEC. 3. The last paragraph of section twelve of Commonwealth Act Numbered Eighty-three is hereby amended to read as follows:

"SEC. 12. Revocation of registration of securities and of license to sell.-* * *

"Before such order is made final, the issuer or dealer shall be entitled to a hearing; and such order may, be

appealed to the Supreme Court in the manner provided in this Act.

SEC. 4. The first paragraph of section thirty-five of Commonwealth Act Numbered Eighty-three is hereby amended to read as follows:

"SEC. 35. Court review of orders.- (a) Any person aggrieved by an order issued by the Commission in a proceeding under this Act to which such person is a party or who may be affected thereby may obtain a review of such order in the Supreme Court of the Philippines by filing in such court within thirty days after the entry of such order a written petition praying that the order of the Commission be modified or set aside in whole or in part. A copy of such petition shall be forthwith served upon the Commission, and thereupon the Commission shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript, such court shall have exclusive jurisdiction to affirm, modify, and enforce or set aside such order, in whole or in part. No objection to the order of the Commission shall be considered unless such objection shall have been urged before the Commission, provided that opportunity therefor has been afforded. If either party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper. The Commission may modify its findings as to the facts, by reason of the additional evidence so taken, and it shall file such modified or new findings, and its recommendation, if any, for the modification or setting aside of the original order."

SEC. 5. Section forty-two of Commonwealth Act Numbered Eighty-three is hereby amended to read as follows:

"SEC. 42. Repealing clause.-All acts or parts of acts inconsistent with this Act, including the whole of Act Numbered Two thousand five hundred and eighty-one, otherwise known as the 'Blue Sky Law,' are hereby repealed."

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

Approved, June 9, 1951.

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