



SEC MEMORANDUM CIRCULAR NO. 7
Series of 2019

TO : ALL CONCERNED

SUBJECT : GUIDELINES ON THE ESTABLISHMENT OF A ONE PERSON CORPORATION (OPC)

x _____ x

In accordance with the power and function of the Securities and Exchange Commission to formulate and enforce standards and policies to carry out the provisions of Republic Act 11232, the Act providing for the Revised Corporation Code of the Philippines (RCC), the following guidelines, rules and regulations in the establishment of a One Person Corporation (OPC) are hereby adopted:

Section 1. Definition and Incorporator

A one person corporation (OPC) is a corporation with a single stockholder, who can only be a natural person, trust or estate.

The incorporator of an OPC being a natural person must be of legal age.

As an incorporator, the "trust" as used by the law does not refer to a trust entity, but the subject being managed by a trustee.

If the single stockholder is a trustee, administrator, executor, guardian, conservator, custodian, or other person exercising fiduciary duties, proof of authority to act on behalf of the trust or estate must be submitted at the time of incorporation.

Section 2. Term of Existence

The term of existence of the OPC shall be perpetual. However, in case of the trust or estate, its term of existence shall be co-terminous with the existence of the trust or estate.

The OPC under the name of the estate may be dissolved upon proof of Partition, such as Order of Partition issued by the Court in case of Judicial Settlement and Deed of Extrajudicial Settlement in case of summary settlement of the estate.

The OPC under the name of the Trustee may be dissolved upon proof of termination of the trust.

Published:

Manila Bulletin, May 1, 2019
Manila Standard, May 1, 2019

Section 3. Corporate Name

The suffix "OPC" should be indicated by the one person corporation either below or at the end of its corporate name.

Section 4. Single Stockholder as Director and Officer

The single stockholder shall be the sole director and president of the OPC.

Section 5. Designation of Nominee and Alternate Nominee

The single stockholder is required to designate a nominee and an alternate nominee named in the Articles of Incorporation who shall replace the single stockholder in the event of the latter's death and/or incapacity. The written consent of both the nominee and alternate nominee shall be attached to the application for incorporation.

Section 6. Only Articles of Incorporation Needed

The OPC shall file its Articles of Incorporation (AI) in accordance with the requirements of Section 14 of the Revised Corporation Code of the Philippines. The AI must set forth its primary purpose, principal office address, term of existence, names and details of the single stockholder, the nominee and alternate nominee and the authorized, subscribed and paid-up capital and such other matters consistent with law and which may be deemed necessary and convenient.

For facility of registration, applicants may follow the attached sample of the Articles of Incorporation of an OPC.

Section 7. Bylaws

The OPC is not required to submit and file its Bylaws.

Section 8. Minimum Capital Stock Not Required

The OPC is not required to have a minimum authorized capital stock except as otherwise provided by special law.

Further, unless otherwise required by applicable laws or regulations, no portion of the authorized capital is required to be paid-up at the time of incorporation.

Section 9. Officers

Within fifteen (15) days from the issuance of its Certificate of Incorporation, the OPC shall appoint a Treasurer, Corporate Secretary, and other officers, and

notify the SEC thereof within five (5) days from appointment, using the Appointment Form as may be prescribed by the SEC.

The single stockholder shall not be appointed as Corporate Secretary but may assume the role of a Treasurer.

Section 10. Bond Requirement for the Self-Appointed Treasurer

The single stockholder who assumes the position of the Treasurer shall post a surety bond to be computed based on the authorized capital stock (ACS) of the OPC as shown in the Table below:

ACS	Surety Bond Coverage*
1.00 to 1,000,000.00	1,000,000.00
1,000,001.00 to 2,000,000.00	2,000,000.00
2,000,001.00 to 3,000,000.00	3,000,000.00
3,000,001.00 to 4,000,000.00	4,000,000.00
4,000,001.00 to 5,000,000.00	5,000,000.00
P 5,000,001.00 and above = Amount of surety bond coverage shall be equal to the OPC's ACS	

*Subject to renewal every two (2) years or as may be required, upon review of the annual submission of the Audited Financial Statements/Financial Statements certified under oath by the company's President and Treasurer.

** The bond is a continuing requirement for so long as the single stockholder is the self-appointed Treasurer of the OPC.

*** The bond may be cancelled upon proof of appointment of another person as the Treasurer and Filing of Amended Form for Appointment of Officers.

Section 11. Change of Nominee or Alternate Nominee

The single stockholder may, at any time, change its nominee and alternate nominee by submitting to the Commission the names of the new nominees and their corresponding written consent. The Articles of Incorporation need not be amended.

Attached is the sample form for the Notice of the Change of nominee and alternate nominee.

Section 12. Incapacity or Death of the Single Stockholder

In case the single stockholder becomes incapacitated, the nominee can take over the management of the OPC as director and president. At the end of the incapacity, the single stockholder can resume the management of the OPC.

In case of death or permanent incapacity of the single stockholder, the nominee will take over the management of the OPC until the legal heirs of the single stockholder have been lawfully determined and the heirs have agreed among themselves who will take the place of the deceased.

Section 13. Reportorial Requirements

The OPC must submit the following documents within the period required by the SEC:

- a) annual audited financial statements within 120 days from the end of its fiscal year as indicated in its Articles of Incorporation; Provided, that if the total assets or total liabilities of the corporation are less than six hundred thousand pesos (P600,000.00), the financial statements shall be certified under oath by the corporation's treasurer;
- b) a report on all explanations or comments by the president on the qualification, reservation or adverse remarks made by the auditor in the financial statements;
- c) a disclosure of all self-dealings and related party transactions entered into between the OPC and the single stockholder; and
- d) other reports as the SEC may require.

Section 14. Who are Not Allowed to Form OPCs

Banks, non-bank financial institutions, quasi-banks, pre-need, trust, insurance, public and publicly listed companies, non-chartered government-owned and -controlled corporations (GOCCs) cannot incorporate as OPC.

A natural person who is licensed to exercise a profession may not organize as an OPC for the purpose of exercising such profession except as otherwise provided under special laws.


Section 15. Foreign National

A foreign natural person may put up an OPC, subject to the applicable capital requirement and constitutional and statutory restrictions on foreign participation in certain investment areas or activities.

This Memorandum Circular shall take effect immediately upon its publication in two (2) newspapers of general circulation.

Secretariat Building, PICC, Pasay City.

25 April 2019.


EMILIO B. AQUINO
Chairperson

**SAMPLE ONLY FOR A ONE PERSON CORPORATION
WITH A SINGLE STOCKHOLDER WHO IS A NATURAL PERSON**

Articles of Incorporation
of

_____, OPC
(Name of One Person Corporation)

The undersigned, of legal age, voluntarily forms a One Person Corporation (OPC) under the laws of the Republic of the Philippines and certifies the following:

First: That the name of said corporation shall be _____, OPC;

Second: That the purpose or purposes for which such corporation is incorporated are: (If there are more than one purpose, indicate primary and secondary purposes);

Third: That the principal office of the OPC is located in _____;

Fourth: That the OPC shall have perpetual existence;

(If the OPC has a specific term of existence): That the OPC shall have a term of existence of _____ years from the date of issuance of the certificate of incorporation;

State the specific term of existence in words followed by the figure enclosed in parentheses, e.g. fifty (50) years.

Fifth: That the name, nationality, and residence address of the single stockholder/ director/ president of the OPC are as follows:

Name	Nationality	Residence (Specific)
_____	_____	_____

Sixth: That the names, nationalities, and residence addresses of the nominee and alternate nominee are as follows:

	Name	Nationality	Residence
Nominee:	_____	_____	_____
Alternate:	_____	_____	_____

Seventh: That the authorized capital stock of the OPC is _____ Pesos (P _____), divided into _____ shares with par value of _____ Pesos (P _____) per share.

(In case all the shares are without par value): That the capital stock of the OPC is _____ shares without par value.

(In case some shares have par value and some are without par value): That the capital stock of said corporation consists of _____ shares, of which _____ shares have a par value of _____ Pesos (P _____) each, and of which _____ shares are without par value.

Eighth: That the number of shares of the authorized capital stock above-stated has been subscribed as follows:

Name of Subscriber	Nationality	No. of Shares Subscribed	Amount Subscribed	Amount Paid
_____	_____	_____	_____	_____

Ninth: a) That as self-appointed treasurer of the OPC, I acknowledge to have received in the name and for the benefit of the corporation, all subscriptions paid or given by the subscriber, who certifies the information set forth in the seventh and eighth clauses above, and that the paid-up portion of the subscription in cash and/or property has been duly received for the benefit and credit of the corporation, and that I shall faithfully administer the corporation's funds to be received as Treasurer, and to disburse and invest the same in accordance with law and these Articles of Incorporation;

Or:

b) That as Treasurer of the OPC, I acknowledge to have received in the name and for the benefit of the corporation, all subscriptions paid or given by the subscriber, who certifies the information set forth in the seventh and eighth clauses above, and that the paid-up portion of the subscription in cash and/or property has been duly received for the benefit and credit of the corporation, and that I shall faithfully administer the OPC's funds to be received as Treasurer, and to disburse and invest the same in accordance with law and these Articles of Incorporation;

Or:

c) That within fifteen (15) days from the issuance of its certificate of incorporation, the OPC shall appoint a treasurer and notify the Commission thereof within five (5) days from appointment.

Choose only the applicable paragraph, i.e. a) if the single stockholder acts as the treasurer; b) if another person has been appointed as treasurer; and c) if the single stockholder has yet but commits to appoint a treasurer after receipt of the certificate of incorporation.

Tenth: That I undertake to change the name of the OPC immediately upon receipt of notice from the Commission that another corporation, partnership or person has acquired a prior right to the use of such name, that the name has been declared not distinguishable from a name already registered or reserved for the use of another corporation, or that it is contrary to law, public morals, good customs or public policy.

Eleventh: That no transfer of stock or interest which shall reduce the ownership of Filipino citizens to less than the required percentage of capital stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of the OPC, and this restriction shall be indicated in all stock certificates issued by the corporation.

Twelfth: That the fiscal year of the OPC shall begin on the _____ day of _____ and shall end on the _____ day of _____ of each year. (If not stated in the Articles of Incorporation, it is understood that the fiscal year of said corporation follows the calendar year.)

IN WITNESS WHEREOF, I have hereunto signed these Articles of Incorporation, this _____ day of _____, 20____ in the City/Municipality of _____, Province of _____, Republic of the Philippines.

(Name and signature of the incorporator)
TIN: _____

(Name and signature of the treasurer)
TIN: _____

Nominee and alternate nominee need not sign the Articles of Incorporation but written consent of the nominee and alternate nominee shall be attached to the application for incorporation. Such consent may be withdrawn in writing any time before the death or incapacity of the single shareholder.

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

S.S)

BEFORE ME, a Notary Public, for and in _____, Philippines,
this _____ day of _____, 2019, personally appeared the
following persons:

Name	TIN/ Passport No.	Date and Place Issued
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known to me and to me known to be the same persons who executed the foregoing Articles of Incorporation constituting of _____ pages, including this page where the acknowledgement is written, and they acknowledged to me that the same is their free act and voluntary deed.

WITNESS MY HAND AND SEAL on the day first above-written.

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.

**SAMPLE ONLY FOR A ONE PERSON CORPORATION
UNDER THE NAME OF AN ESTATE OR TRUSTEE**

Articles of Incorporation
of

_____, OPC
(Name of One Person Corporation)

The undersigned, of legal age, voluntarily forms a One Person Corporation (OPC) under the laws of the Republic of the Philippines and certifies the following:

First: That the name of said corporation shall be _____, OPC;

Second: That the purpose or purposes for which such corporation is incorporated are: (If there are more than one purpose, indicate primary and secondary purposes);

Third: That the principal office of the OPC is located in _____;

Fourth: That the OPC shall have perpetual existence;

(If the OPC has a specific term of existence): That the OPC shall have a term of existence of _____ years from the date of issuance of the certificate of incorporation;

State the specific term of existence in words followed by the figure enclosed in parentheses, e.g. fifty (50) years.

Fifth: That the name, nationality, and residence address of the (trustee, administrator, executor, guardian, conservator, custodian, or any other person exercising fiduciary duties) are as follows:

Name	Nationality	Residence (Specific)
_____	_____	_____

(Attach proof of authority to act on behalf of the trust or estate.)

Sixth: That the names, nationalities, and residence addresses of the nominee and alternate nominee are as follows:

Name	Nationality	Residence
Nominee: _____	_____	_____

Alternate: _____

Seventh: That the authorized capital stock of the OPC is _____ Pesos (P _____), divided into _____ shares with par value of _____ Pesos (P _____) per share.

(In case all the shares are without par value): That the capital stock of the OPC is _____ shares without par value.

(In case some shares have par value and some are without par value): That the capital stock of said corporation consists of _____ shares, of which _____ shares have a par value of _____ Pesos (P _____) each, and of which _____ shares are without par value.

Eighth: That the number of shares of the authorized capital stock above-stated has been subscribed as follows:

Name of Subscriber	Nationality	No. of Shares Subscribed	Amount Subscribed	Amount Paid
_____	_____	_____	_____	_____

Ninth: a) That as self-appointed treasurer of the OPC, I acknowledge to have received in the name and for the benefit of the corporation, all subscriptions paid or given by the subscriber, who certifies the information set forth in the seventh and eighth clauses above, and that the paid-up portion of the subscription in cash and/or property has been duly received for the benefit and credit of the corporation, and that I shall faithfully administer the corporation's funds to be received as Treasurer, and to disburse and invest the same in accordance with law and these Articles of Incorporation;

Or:

b) That as Treasurer of the OPC, I acknowledge to have received in the name and for the benefit of the corporation, all subscriptions paid or given by the subscriber, who certifies the information set forth in the seventh and eighth clauses above, and that the paid-up portion of the subscription in cash and/or property has been duly received for the benefit and credit of the corporation, and that I shall faithfully administer the corporation's funds to be received as Treasurer, and to disburse and invest the same in accordance with law and these Articles of Incorporation;

Or:

c) That within fifteen (15) days from the issuance of its certificate of incorporation, the OPC shall appoint a treasurer and notify the Commission thereof within five (5) days from appointment.

Choose only the applicable paragraph, i.e. a) if the single stockholder acts as the treasurer; b) if another person has been appointed as treasurer; and c) if the single

stockholder has yet but commits to appoint a treasurer after receipt of the certificate of incorporation.

Tenth: That I undertake to change the name of the OPC immediately upon receipt of notice from the Commission that another corporation, partnership or person has acquired a prior right to the use of such name, that the name has been declared not distinguishable from a name already registered or reserved for the use of another corporation, or that it is contrary to law, public morals, good customs or public policy.

Eleventh: That no transfer of stock or interest which shall reduce the ownership of Filipino citizens to less than the required percentage of capital stock as provided by existing laws shall be allowed or permitted to be recorded in the proper books of the OPC, and this restriction shall be indicated in all stock certificates issued by the corporation.

Twelfth: That the fiscal year of the OPC shall begin on the _____ day of _____ and shall end on the _____ day of _____ of each year. (If not stated in the Articles of Incorporation, it is understood that the fiscal year of said corporation follows the calendar year.)

IN WITNESS WHEREOF, I have hereunto signed these Articles of Incorporation, this _____ day of _____, 20____ in the City/Municipality of _____, Province of _____, Republic of the Philippines.

(Name and signature of the incorporator)
TIN: _____

(Name and signature of the treasurer)
TIN: _____

Nominee and alternate nominee need not sign the Articles of Incorporation, but written consent of the nominee and alternate nominee shall be attached to the application for incorporation. Such consent may be withdrawn in writing any time before the death or incapacity of the single shareholder.

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

S.S)

BEFORE ME, a Notary Public, for and in _____, Philippines,
this _____ day of _____, 2019, personally appeared the
following persons:

Name	TIN/ Passport No.	Date and Place Issued
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known to me and to me known to be the same persons who executed the foregoing
Articles of Incorporation constituting of _____ pages, including this page where the
acknowledgement is written, and they acknowledged to me that the same is their free
act and voluntary deed.

WITNESS MY HAND AND SEAL on the day first above-written.

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.

**SAMPLE OF ACCEPTANCE LETTER OF THE NOMINEE
AND ALTERNATE NOMINEE OF THE ONE PERSON CORPORATION**

Date: _____

To: (Name of single stockholder)
(Name of the One Person Corporation)
(Address of the One Person Corporation)

Dear Mr./Ms. _____:

I am writing to confirm my acceptance of the offer to be your designated nominee (or alternate nominee), in compliance with the requirement of the Revised Corporation Code of the Philippines for the purpose of registration of your One Person Corporation with the Securities and Exchange Commission.

I have understood the extent and limitations of my authority as nominee (or alternate nominee) in the event that I am called to manage the affairs of the One Person Corporation, as we discussed.

Thank you.

Very truly yours,

(Signature and name of nominee or alternate nominee)
TIN: _____

Note: The nominee and alternate nominee can sign their names in the same letter as acceptance of their nomination.

**FORM FOR APPOINTMENT OF OFFICERS
FOR THE YEAR _____
ONE PERSON CORPORATION**

===== PLEASE PRINT LEGIBLY =====

CORPORATE NAME:	DATE OF REGISTRATION:
BUSINESS/TRADE NAME:	FISCAL YEAR END:
SEC REGISTRATION NUMBER:	EMAIL ADDRESS:
COMPLETE BUSINESS ADDRESS:	
PRIMARY PURPOSE/ACTIVITY/INDUSTRY PRESENTLY ENGAGED IN:	CORPORATE TAX IDENTIFICATION NUMBER:
	TELEPHONE NUMBER:

OFFICERS' INFORMATION

NAME/ CURRENT RESIDENTIAL ADDRESS	NATIONALITY	GENDER	OFFICER/ POSITION	TAX IDENTIFICATION NUMBER

NOTE: USE ADDITIONAL SHEET IF NECESSARY

Certified correct:

(NAME OF THE SINGLE STOCKHOLDER/PRESIDENT)
(Signature over printed name)
(Tax Identification Number)

SUBSCRIBED AND SWORN TO before me in _____ on _____ by affiant who personally appeared before me and exhibited to me his/her competent evidence of identity consisting of _____ issued at _____ on _____.

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.

**SAMPLE FORM OF NOTICE TO CHANGE NOMINEE/
ALTERNATE NOMINEE OF THE ONE PERSON CORPORATION**

Date: _____

Company Registration and Monitoring Department
Securities and Exchange Commission
Secretariat Building, PICC Complex
Roxas Blvd., Pasay City

Gentlemen:

In compliance with the requirement of Section 126 of the Revised Corporation Code of the Philippines, the undersigned hereby notifies the Securities and Exchange Commission of a change in the nominee and alternate nominee of _____, OPC, as indicated in the Articles of Incorporation, under SEC Reg. No. _____.

I, therefore, submit the names of the new nominees and their written consent as follows:

	Name	Nationality	Residence
Nominee:	_____	_____	_____
Alternate Nominee:	_____	_____	_____

I consent to my appointment as Nominee:

(Signature of the nominee)
TIN: _____

I consent to my appointment as Alternate Nominee:

(Signature of the alternate)
TIN: _____

Certified Correct:

(Signature and name of the single
stockholder/president)
TIN: _____

SUBSCRIBED AND SWORN TO before me in _____ on _____ by the above-named individual as the Single Stockholder/President of the OPC who personally appeared before me and exhibited to me his/her competent evidence of identity consisting of _____ issued on _____.

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.



APPLICATION FOR REGISTRATION OF ONE PERSON CORPORATION

What are the requirements:

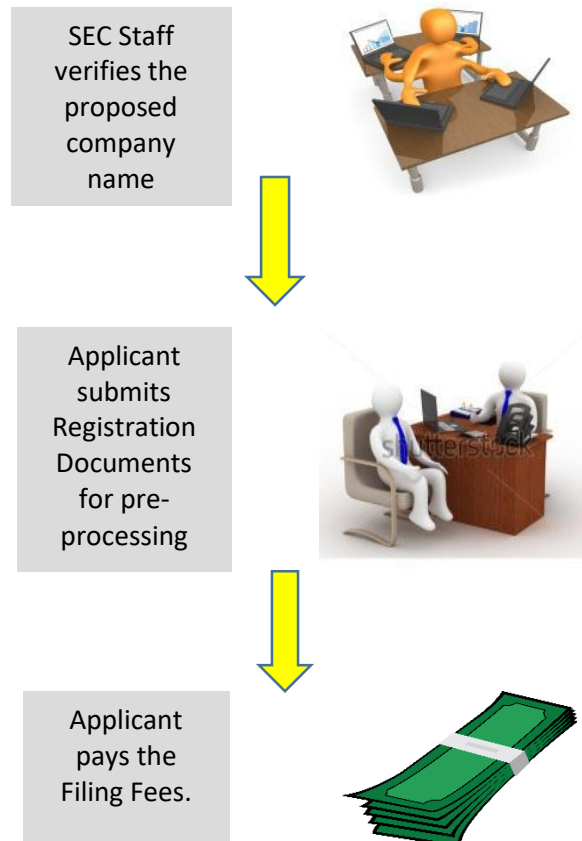
1. Cover Sheet
2. Articles of Incorporation for One Person Corporation (Natural Person, Trust or Estate)
*Please take note of the Commission's privacy policy with regard to Articles of Incorporation filed with it. You may read the **Privacy Notice for Registrants of One Person Corporations** at <https://www.sec.gov.ph/one-person-corporations/>.*
3. Written Consent from the Nominee and Alternate Nominee
4. Other Requirements, if applicable:
 - a. Proof of Authority to Act on Behalf of the Trust or Estate (for trusts and estates incorporating as OPC)
 - b. Foreign Investments Act (FIA) Application Form (for foreign natural person)¹
 - c. Affidavit of Undertaking to Change Company Name, in case not incorporated in the Articles of Incorporation
 - d. Tax Identification Number (TIN) for Filipino single stockholder
 - e. Tax Identification Number (TIN) or Passport Number for Foreign single stockholder
5. Filing Fees
 - a. Name Reservation – Php100.00 per company name and/or trade name
 - b. Articles of Incorporation - 1/5 of 1% of the authorized capital stock but not less than Php2,000.00
 - c. Legal Research Fee (LRF) - 1% of the Registration/Filing Fee but not less than Twenty Pesos (Php20.00)
 - d. FIA Application Fee – Php3,000.00, if the single stockholder is a foreign national.
 - e. Documentary Stamp – Php30.00

• ¹ A foreign natural person may put up an OPC, subject to the applicable constitutional and statutory restrictions on foreign participation in certain investment areas or activities.

How to apply for registration:

1. Initially, all name reservation requests shall be submitted manually at the SEC Head Office. CRMD personnel verifies the proposed company name; trade/business names by the applicant:
 - a. If denied, the applicant needs to submit letter of appeal for rejected names subject to the approval of the CRMD appeal officer.
2. Submit Articles of Incorporation with attached written consent of the nominee and alternate nominee and other requirements required for registration, for pre-processing.
3. Pay the Filing Fees (*Registration Fee, LRF and Name Reservation Fee*)
4. Submit hard copies of signed and notarized documents together with the proof of payment of filing fees at CRMD Receiving Unit
5. Receive the Approved Certification of Registration as One Person Corporation.

Illustration:



Applicant submits
hard copies of
signed and
notarized
Registration
Documents
together with the
proof of payment
of filing fees



Applicant
receives the
Approved
Certificate of
Registration.



**END OF
PROCESS**