

[PRESIDENTIAL DECREE NO. 1797, January 16, 1981]

AMENDING FURTHER PRESIDENTIAL DECREE NO. 129, AS AMENDED, OTHERWISE KNOWN AS "THE INVESTMENT HOUSES LAW"

WHEREAS, there must be greater cooperation among governmental agencies to ensure the accomplishment of desired objectives;

WHEREAS, there is a need to provide flexibility to government authorities in setting the capitalization requirement for investment houses in order to enhance the capability of the latter to compete and to finance the requirements of economic development;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order as follows:

SECTION 1. The third paragraph of Section 4 of Presidential Decree No. 129, as amended, is hereby amended to read as follows:

"In determining compliance with the provisions of subsections (b) and (c) above, the Securities and Exchange Commission shall consult with and act pursuant to such recommendation as the Monetary Board of the Central Bank of the Philippines may make."

SEC. 2. Section 8 of the same Decree is hereby amended to read as follows:

"**SEC. 8.** The minima: initial paid-in capital of any Investment House shall be Twenty Million (P20,000,000) Pesos: *Provided*, That the Monetary Board of the Central Bank may prescribe a higher minimum capitalization if warranted by the circumstances."

SEC. 3. The first paragraph of Section 16 of the same is hereby amended to read as follows:

"**SEC. 16. Penalties for violation.** — Upon proof that an Investment House is violating or not complying with the provisions of this Decree, of other pertinent laws, of the terms or conditions of its certificate of registration or Charter, or of orders, decisions, rulings or regulations issued by the Securities and Exchange Commission, the Commission shall impose upon the Investment House and collect a fine of not exceeding two hundred (P200.00) pesos per day for every day during which such violation or non-compliance continues, and/or suspend its certificate of registration. The officer or director of the Investment House who ordered or authorized the violation or non-compliance shall be solidarily liable. The fine so imposed shall be paid to the Government of the Philippines through the Securities and Exchange Commission."

SEC. 4. All laws, decrees, rules and regulations inconsistent with this Decree are hereby repealed or modified accordingly.

SEC. 5. This Decree shall take effect immediately.