

# [ **PRESIDENTIAL DECREE NO. 1798, January 16, 1981** ]

## **AMENDING SECTION 4 OF COMMONWEALTH ACT NO. 83 AS AMENDED BY PRESIDENTIAL DECREE NO. 678**

**WHEREAS**, commercial paper issues are instruments for mobilizing funds in developed capital markets as well as developing capital markets;

**WHEREAS**, commercial paper issuance either through direct savings investment process or through financial intermediaries have monetary and credit implications;

**WHEREAS**, Presidential Decree No. 573 requiring the registration of commercial paper issues by the Securities and Exchange Commission in accordance with rules which said decree requires to be approved by the Monetary Board of the Central Bank of the Philippines which was then granted concurrent power of enforcement of the rules; %

**WHEREAS**, the intention is to infuse into the mere procedural registration responsibility of the Securities and Exchange Commission the wider implication of monetary and credit policies of the Monetary Board.

**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 that:

**SECTION 1.** The paragraph added by Section 2 of Presidential Decree No. 678 to Section 4 of Commonwealth Act No. 83 is hereby amended to read as follows:

“Notwithstanding the provision of the preceding paragraph regarding exemptions, and any other provision of this Act and all other existing laws, commercial papers as defined in Section 1 hereof shall be registered by the Securities and Exchange Commission in accordance with the requirements of full disclosure in the public interest and rules and regulations on procedural registration that shall be promulgated by the Securities and Exchange Commission, after approval by the Monetary Board. Interbank loans may be exempted from registration as may be necessary in the public interest.

The Monetary Board is hereby authorized to promulgate rules on the monetary and credit aspects of commercial paper issues, which may include the imposition of ceilings on an industry-wide basis on commercial paper issues by any single issuer. The Monetary Board shall have the power of supervision in the enforcement of such rules and it may require issuers to submit their financial statements and other relevant reports to the Central Bank on a regular or periodic basis.

**SECTION 2.** All laws or regulation inconsistent herewith are hereby repealed or modified accordingly.

**SECTION 3.** This Decree shall take effect upon approval.

DONE in the City of Manila, this 16th day of January, in the year of Our Lord, nineteen hundred and eighty-one.