

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. **7120**



Introduced by **Representative RAYMOND ADRIAN SALCEDA**

AN ACT
ESTABLISHING A SHAREHOLDER BILL OF RIGHTS, STRENGTHENING THE
PROTECTION OF MINORITY SHAREHOLDERS IN LISTED AND NON-LISTED
CORPORATIONS, PROVIDING FOR ENHANCED CORPORATE GOVERNANCE
STANDARDS, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The protection of shareholder rights, particularly those of minority shareholders, is fundamental to building a robust capital market and attracting both domestic and foreign investment. The revised G20/OECD Principles of Corporate Governance 2023, endorsed by world leaders as the global benchmark for corporate governance, emphasize that strong shareholder protections contribute to market confidence, economic efficiency, and financial stability.

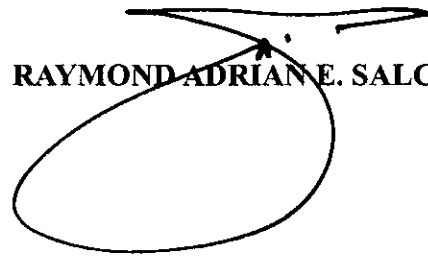
While the Revised Corporation Code of the Philippines (Republic Act No. 11232) made significant strides in strengthening corporate governance, gaps remain in the comprehensive protection of shareholder rights, especially for minority shareholders who remain vulnerable to abuse by controlling interests. International experience, particularly from jurisdictions such as Singapore, the European Union under the Shareholder Rights Directive II, and the United States under the Model Business Corporation Act, demonstrates that specific statutory protections are essential to prevent oppression, ensure equitable treatment, and provide effective remedies.

This bill seeks to establish a comprehensive Shareholder Bill of Rights that codifies fundamental rights for all shareholders while providing enhanced protections for minority shareholders. It introduces mechanisms proven effective in leading jurisdictions worldwide: strengthened related party transaction safeguards with majority-of-minority approval requirements; enhanced appraisal rights for dissenting shareholders in fundamental corporate changes; tag-along rights ensuring fair exit opportunities; say-on-pay provisions promoting

accountability in executive compensation; and streamlined derivative action procedures enabling shareholders to pursue corporate claims.

The measure applies to both listed and non-listed companies, recognizing that minority shareholders in closely-held corporations often face greater vulnerability due to the absence of a public market for their shares. By establishing clear standards and accessible remedies, this Act aims to foster investor confidence, promote capital formation, and position the Philippines as a jurisdiction that upholds international best practices in corporate governance.

In view of the foregoing, immediate passage of this bill is earnestly sought.



RAYMOND ADRIANE E. SALCEDA

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

ARTICLE I
GENERAL PROVISIONS

SEC. 1. *Short Title.* – This Act shall be known as the "Shareholder Bill of Rights Act."

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the State to:

(a) Protect and facilitate the exercise of shareholder rights and ensure the equitable treatment of all shareholders, including minority and foreign shareholders, in accordance with the G20/OECD Principles of Corporate Governance;

(b) Provide minority shareholders with effective protection against abusive actions by controlling shareholders acting directly or indirectly, and ensure accessible means of redress;

(c) Promote transparency, accountability, and fairness in corporate governance to attract investment and strengthen capital market integrity;

(d) Encourage long-term shareholder engagement and responsible stewardship by institutional investors; and

(e) Align Philippine corporate governance standards with international best practices to enhance the country's competitiveness as an investment destination.

SEC. 3. *Definition of Terms.* – As used in this Act:

(a) "Commission" refers to the Securities and Exchange Commission;

(b) "Controlling shareholder" refers to any person or group of persons acting in concert who: (1) holds, directly or indirectly, shares representing more than fifty percent (50%) of the voting power of the corporation; or (2) has the power to control the election of a majority of the directors or trustees; or (3) has the ability to direct or cause the direction of the management or policies of the corporation;

(c) "Corporation vested with public interest" refers to corporations as defined under Section 22 of Republic Act No. 11232;

(d) "Fair value" refers to the value of the shares immediately before the corporate action to which the shareholder dissents, excluding any appreciation or depreciation in anticipation of such corporate action, but including the going concern value and intrinsic value of the shares, and without application of any minority discount or discount for lack of marketability;

(e) "Fundamental corporate change" refers to: (1) amendment of the articles of incorporation that adversely affects shareholder rights; (2) sale, lease, exchange, mortgage, pledge, or other disposition of all or substantially all of the corporate assets; (3) merger or consolidation; (4) investment of corporate funds in another corporation or business or for any other purpose outside the primary purpose of the corporation; (5) dissolution; (6) conversion from stock to non-stock corporation or vice versa; or (7) any other corporate action that fundamentally alters the nature of the shareholder's investment;

(f) "Institutional investor" refers to banks, insurance companies, investment companies, pension funds, government financial institutions, and other entities that invest in securities on a regular basis as part of their business or fiduciary obligations;

(g) "Listed corporation" refers to a corporation whose shares are listed and traded on a securities exchange registered with the Commission;

(h) "Majority of minority" refers to a majority of the votes cast by shareholders who are not conflicted parties or their associates in a related party transaction or other matter requiring such approval;

(i) "Minority shareholder" refers to any shareholder who: (1) does not have control over the corporation, whether singly or as part of a group acting in concert; and (2) holds shares representing less than fifty percent (50%) of the voting power of the corporation;

(j) "Related party" refers to any person or entity as defined under Philippine Accounting Standards (PAS) 24 on Related Party Disclosures, including: (1) controlling shareholders; (2) directors, trustees, officers, and their relatives within the fourth civil degree of consanguinity or affinity; (3) corporations in which any director, trustee, officer, or controlling shareholder has a substantial interest; and (4) any other person or entity that has the ability to control or significantly influence the corporation; and

(k) "Related party transaction" refers to any transfer of resources, services, or obligations between a corporation and a related party, regardless of whether a price is charged.

SEC. 4. *Scope and Application.* – This Act shall apply to all stock corporations organized under Philippine law, whether listed or non-listed, except as otherwise provided herein. Certain provisions shall have enhanced application to listed corporations and corporations vested with public interest as specified in the relevant sections.

ARTICLE II

FUNDAMENTAL SHAREHOLDER RIGHTS

SEC. 5. *Basic Rights of All Shareholders.* – Every shareholder of a stock corporation shall be entitled to the following fundamental rights:

(a) Right to Secure Registration and Transfer of Shares – The right to have shares registered in the shareholder's name and to freely transfer such shares in accordance with law, subject only to reasonable restrictions disclosed in the articles of incorporation and the share certificates;

(b) Right to Information – The right to timely, regular, and adequate information on all matters material to the corporation, including its financial condition, results of operations, shareholding structure, and governance practices, at a reasonable cost;

(c) Right to Participate and Vote – The right to participate in and to vote at general shareholder meetings, either in person, through electronic means, or by proxy, on fundamental corporate changes and the election or removal of directors or trustees;

(d) Right to Dividends – The right to share in the profits of the corporation through dividend distributions when declared by the board of directors, in accordance with their shareholdings and the terms of their shares;

(e) Right to Residual Assets – The right to share in the distribution of net assets upon dissolution or liquidation, subject to the rights of creditors and preferred shareholders;

(f) Right to Pre-emptive Rights – The right to subscribe to all issues or dispositions of shares of any class in proportion to their respective shareholdings, unless validly denied or waived in accordance with law;

(g) Right to Cumulative Voting – The right to cumulate votes in the election of directors or trustees, ensuring representation of minority shareholders on the board; and

(h) Right to Effective Redress – The right to obtain effective redress for violation of shareholder rights at reasonable cost and without excessive delay through appropriate judicial or quasi-judicial mechanisms.

SEC. 6. *Equitable Treatment of Shareholders.* – All shareholders of the same series of a class shall be treated equally. Any changes in economic or voting rights attached to shares shall be subject to approval by those shareholders whose rights are negatively affected. The corporation

and its controlling shareholders shall not engage in any conduct that discriminates unfairly against minority shareholders or that results in the expropriation of minority shareholder value.

SEC. 7. *Right to Shareholder Meetings and Participation.* –

(a) Shareholders shall be furnished with timely and adequate notice of meetings, containing the date, time, venue, agenda, and complete materials necessary for informed decision-making. Notice shall be given at least twenty-one (21) days before the meeting for listed corporations and corporations vested with public interest, and at least fifteen (15) days for other corporations;

(b) Shareholders shall have reasonable opportunity to ask questions at meetings, to propose resolutions subject to reasonable limitations, and to request the inclusion of items in the meeting agenda. Shareholders collectively holding at least five percent (5%) of the outstanding capital stock shall have the right to propose items for inclusion in the agenda;

(c) Corporations shall facilitate effective shareholder participation through electronic means, including remote voting and virtual attendance, ensuring safeguards for equal access to information and participation. Remote participation and electronic voting shall have the same legal effect as physical participation and voting; and

(d) Voting results shall be promptly disclosed, including the exact number of votes cast for, against, and abstentions on each resolution. For listed corporations, results shall be published within five (5) trading days following the meeting.

SEC. 8. *Right to Corporate Information.* –

(a) Every shareholder shall have the right to inspect and examine the corporate books and records, including the stock and transfer book, minutes of shareholder and board meetings, financial statements, and contracts and documents relating to shareholders' interests, during reasonable business hours and for legitimate purposes;

(b) The corporation shall provide shareholders with annual financial statements audited by an independent certified public accountant, together with the board of directors' report on corporate operations, within a reasonable time before the annual shareholders' meeting;

(c) For listed corporations and corporations vested with public interest, disclosure shall include: (1) material facts about the corporation's business, financial condition, and results of operations; (2) significant ownership interests and voting rights; (3) remuneration of directors and key executives; (4) related party transactions; (5) foreseeable risk factors; and (6) governance structure and policies; and

(d) Any denial of access to corporate records shall be in writing, stating the grounds therefor, and shall be subject to immediate judicial review upon petition by the aggrieved shareholder.

ARTICLE III

PROTECTION OF MINORITY SHAREHOLDERS

SEC. 9. *Protection Against Oppression.* –

(a) Any shareholder may petition the proper court for relief if the affairs of the corporation are being conducted, or the powers of the directors are being exercised, in a manner that is: (1) oppressive to one or more shareholders; (2) in disregard of the interests of one or more shareholders; (3) unfairly discriminatory against one or more shareholders; or (4) unfairly prejudicial to one or more shareholders;

(b) Commercial unfairness shall be determined by reference to the legitimate expectations of shareholders arising from: (1) the legal rights set out in the articles of incorporation, by-laws, and shareholders' agreements; (2) informal arrangements and understandings between shareholders; and (3) the reasonable expectations of fair dealing in corporate relationships;

(c) Acts that may constitute oppression include, but are not limited to: (1) exclusion of minority shareholders from management participation when such participation was part of the basis for their investment; (2) diversion of corporate resources or opportunities for the benefit of controlling shareholders; (3) denial or manipulation of dividends while providing benefits to

controlling shareholders through excessive compensation or related party transactions; (4) dilution of minority shareholdings without legitimate business justification; (5) amendment of corporate documents to prejudice minority rights; and (6) systematic exclusion from information necessary for the protection of shareholder interests; and

(d) This section shall apply to oppressive acts regardless of whether they are committed by directors, officers, controlling shareholders, or any person exercising de facto control over the corporation.

SEC. 10. *Remedies for Oppression.* – Upon finding that oppression exists, the court may grant any remedy it deems just and equitable, including but not limited to:

(a) An order restraining or setting aside any act, contract, resolution, or transaction complained of;

(b) An order requiring the corporation or any party to do any act or thing which the petitioner could have demanded or could not have been prevented from doing had no oppression occurred;

(c) An order regulating the conduct of the corporation's affairs in the future;

(d) An order for the purchase of shares of any shareholder by the corporation or other shareholders at fair value, without application of any minority discount;

(e) An order for the payment of damages or compensation;

(f) An order directing a derivative action to be brought in the name of the corporation;

(g) An order amending the articles of incorporation or by-laws;

(h) An order removing or appointing directors, trustees, or officers; or

(i) An order for the dissolution and liquidation of the corporation, as a remedy of last resort where no other adequate remedy is available.

SEC. 11. *Related Party Transactions.* –

(a) All related party transactions shall be conducted on terms that are fair and at arm's length, ensuring proper management of conflicts of interest and protection of the interests of the corporation and its minority shareholders;

(b) For listed corporations and corporations vested with public interest, material related party transactions shall require:

(1) Prior approval by the board of directors, with conflicted directors abstaining from voting and deliberation;

(2) A fairness opinion from an independent financial adviser for transactions exceeding ten percent (10%) of the corporation's total assets; and

(3) Majority of minority shareholder approval for transactions exceeding twenty-five percent (25%) of the corporation's total assets, or transactions that may result in a change of control;

(c) Disclosure of related party transactions shall include: (1) the nature of the related party relationship; (2) the name of the related party; (3) the date and value of the transaction; (4) the business rationale for the transaction; and (5) other information necessary to assess whether the transaction is fair and reasonable;

(d) The corporation shall maintain a register of all related party transactions and make such register available for inspection by shareholders; and

(e) Transactions entered into in the ordinary course of business and concluded on normal market terms, as certified by the corporation's independent directors, may be exempted from the approval requirements under subsection (b) but shall remain subject to disclosure requirements.

SEC. 12. *Tag-Along Rights.* –

(a) In the event of a sale or transfer by a controlling shareholder of shares representing a controlling interest in the corporation to a third party, minority shareholders shall have the right to participate in such sale by selling their shares on the same terms and conditions, including the same price per share, as the controlling shareholder;

(b) The controlling shareholder shall provide written notice to all minority shareholders at least thirty (30) days prior to the proposed sale, stating: (1) the identity of the proposed purchaser; (2) the number of shares to be sold; (3) the price and other material terms of the sale; and (4) the procedure for exercising tag-along rights;

(c) Minority shareholders wishing to exercise tag-along rights shall provide written notice to the controlling shareholder within fifteen (15) days of receiving the notice under subsection (b);

(d) If the third party purchaser is unwilling to purchase the shares of minority shareholders exercising tag-along rights on the same terms, the controlling shareholder shall not proceed with the sale; and

(e) For listed corporations, the tag-along right shall be complementary to the mandatory tender offer requirements under the Securities Regulation Code.

SEC. 13. *Drag-Along Safeguards.* –

(a) Where a drag-along right is provided in the articles of incorporation or shareholders' agreement, such right may only be exercised if:

(1) The minority shareholders receive the same price per share and substantially the same terms and conditions as the controlling shareholders;

(2) The consideration is in cash or readily marketable securities; and

(3) The minority shareholders are not required to give warranties or representations beyond those relating to their capacity to sell and clear title to their shares; and

(b) Any drag-along provision that does not comply with the requirements under this section shall be void and unenforceable.

ARTICLE IV

APPRAISAL RIGHTS

SEC. 14. *Enhanced Appraisal Rights.* –

(a) Any shareholder who dissents from any fundamental corporate change shall have the right to demand payment of the fair value of their shares. The right of appraisal shall be available for:

- (1) Mergers or consolidations in which the shareholder does not vote in favor of the plan;
- (2) Sale, lease, exchange, mortgage, pledge, or other disposition of all or substantially all of the corporate assets;
- (3) Investment of corporate funds in another corporation or business for any purpose other than the primary purpose of the corporation;
- (4) Amendments to the articles of incorporation that adversely affect the rights of shareholders, including changes that: create, alter, or abolish preferential rights; exclude or limit the right to vote; or reduce the stated capital;
- (5) Extension or shortening of the corporate term;
- (6) Conversion from stock to non-stock corporation or vice versa; and
- (7) Any squeeze-out transaction intended to eliminate minority shareholders;

(b) The appraisal right shall be available regardless of whether the shares are listed on a securities exchange. No market exception shall apply to appraisal rights under this Act; and

(c) Appraisal rights may not be waived or eliminated by provision in the articles of incorporation, by-laws, or shareholders' agreement.

SEC. 15. *Procedure for Exercising Appraisal Rights.* –

(a) A shareholder intending to exercise appraisal rights shall file a written demand with the corporation before or within thirty (30) days after the date of shareholder approval of the corporate action, stating their objection to the proposed action and demanding payment for their shares;

(b) Within sixty (60) days from the date the corporate action becomes effective, the corporation shall make a written offer to pay to each dissenting shareholder the corporation's

estimate of the fair value of their shares, together with a statement explaining the basis for such estimate;

(c) If the dissenting shareholder accepts the corporation's offer, payment shall be made within thirty (30) days of acceptance. If the dissenting shareholder does not accept the corporation's offer, the shareholder may file a petition with the appropriate court for appraisal within sixty (60) days of the corporation's offer;

(d) Upon filing of the petition, the court shall determine the fair value of the shares as of the day before the corporate action was approved, taking into consideration all relevant factors but excluding any appreciation or depreciation in anticipation of the corporate action; and

(e) The court may appoint one or more independent appraisers to assist in determining fair value. The costs of appraisal proceedings, including appraiser fees and reasonable attorney's fees, shall be borne by the corporation unless the court finds that the dissenting shareholder acted in bad faith or that the corporation's offer was fair.

SEC. 16. *Determination of Fair Value.* –

(a) In determining fair value, the court shall consider all relevant factors, including:

- (1) The intrinsic value of the shares based on the corporation's net asset value, including tangible and intangible assets;
- (2) The going concern value of the corporation;
- (3) The market value of the shares, if publicly traded, adjusted for market conditions;
- (4) The earnings capacity and dividend-paying history of the corporation; and
- (5) Any other relevant factors that may affect the value of the shares;

(b) No minority discount or discount for lack of marketability shall be applied in determining fair value; and

(c) Interest shall accrue on the fair value from the date of the corporate action until the date of payment at the legal rate.

ARTICLE V
DERIVATIVE ACTIONS

SEC. 17. *Right to Bring Derivative Action.* –

(a) Any shareholder may bring an action in the name and on behalf of the corporation to redress wrongs committed against the corporation when the board of directors fails or refuses to bring such action, and it appears that the failure or refusal is not made in good faith;

(b) Derivative actions may be brought against directors, officers, or third parties for breach of fiduciary duties, misappropriation of corporate assets or opportunities, self-dealing transactions, ultra vires acts, or any other wrong committed against the corporation; and

(c) Any remedy obtained in a derivative action shall be for the benefit of the corporation, not the shareholder bringing the action individually.

SEC. 18. *Procedure for Derivative Actions.* –

(a) Before filing a derivative action, the shareholder shall give written notice to the board of directors requesting that the board take appropriate action on behalf of the corporation. The notice shall set forth the nature of the claim and the relief sought;

(b) The shareholder may file the derivative action if the board of directors fails to respond within thirty (30) days of receiving the notice, or if the board refuses to take action and such refusal appears not to be in good faith;

(c) The demand requirement under subsection (a) may be excused if: (1) making such demand would be futile because a majority of the board of directors is interested in the challenged transaction; (2) the corporation has suffered or will imminently suffer irreparable injury; or (3) other circumstances make demand futile;

(d) The shareholder filing a derivative action shall demonstrate that: (1) they were a shareholder at the time of the transaction complained of; (2) they are acting in good faith and not for an ulterior purpose; and (3) the action is prima facie in the best interests of the corporation; and

(e) The court may award reasonable attorney's fees and litigation expenses to the shareholder bringing the derivative action if the action results in a substantial benefit to the corporation.

SEC. 19. *Multiple Derivative Actions.* – A shareholder of a parent corporation may bring a derivative action on behalf of a subsidiary corporation where the parent corporation controls the subsidiary, and the conditions for a derivative action under this Article are met with respect to both the parent and the subsidiary corporation.

ARTICLE VI

SAY-ON-PAY AND EXECUTIVE REMUNERATION

SEC. 20. *Remuneration Policy.* –

(a) Listed corporations and corporations vested with public interest shall develop and disclose a remuneration policy for directors and key executives. The policy shall describe:

- (1) The fixed and variable components of remuneration, including the basis for determining each component;
- (2) Performance criteria for variable remuneration, including both financial and non-financial metrics;
- (3) Pension and retirement arrangements;
- (4) Termination payments and their conditions;
- (5) Clawback provisions for recovery of variable remuneration in case of material misstatement or misconduct; and

(6) How the policy contributes to the corporation's long-term strategy and sustainability; and

(b) The remuneration policy shall be submitted to shareholders for approval at least every three (3) years, or whenever material changes are proposed. The vote may be binding or advisory as determined in the articles of incorporation or by-laws.

SEC. 21. *Remuneration Report.* –

(a) Listed corporations shall prepare an annual remuneration report containing:

- (1) The total remuneration paid to each director and key executive, broken down by fixed and variable components;
- (2) Explanation of how the remuneration complies with the adopted remuneration policy;
- (3) Comparison of executive remuneration with employee wages and corporate performance over time;
- (4) Information on any departure from the remuneration policy; and
- (5) Explanation of how shareholder votes on remuneration have been taken into account; and

(b) The remuneration report shall be submitted to shareholders for an advisory vote at the annual shareholders' meeting.

ARTICLE VII

INSTITUTIONAL INVESTORS AND STEWARDSHIP

SEC. 22. *Engagement Policy for Institutional Investors.* – Institutional investors investing in shares of Philippine corporations shall develop and publicly disclose an engagement policy describing how they integrate shareholder engagement in their investment strategy, including how they: (a) monitor investee companies on relevant matters; (b) conduct dialogue with investee

companies; (c) exercise voting rights; (d) cooperate with other shareholders; and (e) manage conflicts of interest. Institutional investors shall annually disclose their voting records.

SEC. 23. *Shareholder Cooperation.* – Shareholders, including institutional shareholders, shall be allowed to consult and cooperate with each other on issues concerning their basic shareholder rights, subject to regulations against market manipulation and acting in concert for the purpose of acquiring control without complying with mandatory tender offer requirements.

ARTICLE VIII

CLOSE CORPORATIONS

SEC. 24. *Enhanced Protections for Close Corporations.* – Recognizing the heightened vulnerability of minority shareholders in close corporations, the following enhanced protections shall apply: (a) any agreement restricting share transfers shall include a fair price mechanism; (b) courts shall give weight to informal arrangements and expectations in oppression cases; and (c) no minority discount shall apply in buy-out orders. Close corporations shall provide quarterly financial information to minority shareholders.

SEC. 25. *Deadlock Resolution.* – Where shareholders or directors of a close corporation cannot agree on management, any shareholder may petition the court for relief. The court may: (a) appoint a provisional director; (b) order mediation or arbitration; (c) order a buy-out at fair value; or (d) order dissolution where no other remedy is adequate.

ARTICLE IX

ENFORCEMENT AND PENALTIES

SEC. 26. *Powers of the Commission.* – The Securities and Exchange Commission shall have jurisdiction over complaints for violations of this Act involving listed corporations and

corporations vested with public interest, with power to: (a) issue cease and desist orders; (b) impose administrative fines and sanctions; (c) order nullification of violative transactions; (d) suspend or revoke securities registration; and (e) impose disqualifications on directors and officers. The Commission shall issue implementing rules and regulations.

SEC. 27. *Administrative Penalties.* – (a) Failure to comply with disclosure requirements: fine of not less than Fifty Thousand Pesos (P50,000.00) but not more than Five Million Pesos (P5,000,000.00); (b) Willful violation of provisions on related party transactions, oppression, or abusive self-dealing by directors, officers, or controlling shareholders: personal liability for damages and fine of not less than One Hundred Thousand Pesos (P100,000.00) but not more than Ten Million Pesos (P10,000,000.00); (c) The Commission may impose disqualification from serving as director or officer for up to five (5) years.

SEC. 28. *Civil Liability.* – Any person who violates this Act shall be liable to any person injured by such violation for damages suffered. Directors and officers who participate in, authorize, or approve any violation shall be jointly and severally liable with the corporation.

SEC. 29. *Criminal Liability.* – Any director, officer, or controlling shareholder who willfully and knowingly commits oppressive acts, engages in abusive self-dealing, or defrauds minority shareholders shall, upon conviction, be punished by imprisonment of not less than six (6) years and one (1) day but not more than twelve (12) years, and a fine of not less than Five Hundred Thousand Pesos (P500,000.00) but not more than Twenty Million Pesos (P20,000,000.00). If the offender is a corporation, the penalty shall be imposed upon the responsible officers.

ARTICLE X

FINAL PROVISIONS

SEC. 30. *Implementing Rules and Regulations.* – Within one hundred twenty (120) days from the effectivity of this Act, the Securities and Exchange Commission, in consultation with the Philippine Stock Exchange, the Bangko Sentral ng Pilipinas, the Insurance Commission, and other relevant stakeholders, shall promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 31. *Congressional Oversight.* – A Congressional Oversight Committee is hereby created, composed of the Chairpersons of the Committees on Trade and Industry and Banks and Financial Intermediaries of the House of Representatives, and the Chairpersons of the Committees on Trade, Commerce and Entrepreneurship and Banks, Financial Institutions and Currencies of the Senate, or their duly designated representatives. The Committee shall review the implementation of this Act every three (3) years.

SEC. 32. *Non-Diminution of Rights.* – Nothing in this Act shall be construed to diminish or impair any rights that shareholders may have under the Revised Corporation Code, the Securities Regulation Code, or other applicable laws. The rights granted under this Act shall be in addition to and cumulative of all other rights granted by law.

SEC. 33. *Separability Clause.* – If any provision or part hereof is held invalid or unconstitutional, the remainder of this Act or the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.

SEC. 34. *Repealing Clause.* – All laws, presidential decrees, executive orders, rules and regulations or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 35. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in a newspaper of general circulation.

Approved,