



Republic of the Philippines  
Supreme Court  
Office of the Court Administrator  
Manila

**OCA CIRCULAR NO. 11-2016**

**TO : ALL PRESIDING JUDGES AND CLERKS OF COURTS OF THE SECOND LEVEL COURTS**

**SUBJECT : RESOLUTION DATED 16 NOVEMBER 2015 IN A.M. NO. 03-03-03-SC (AMENDMENT OF A.M. 03-03-03-SC DATED JUNE 17, 2003, FOR THE EXPANSION OF THE COVERAGE OF CASES COGNIZABLE BY THE SPECIAL COMMERCIAL COURTS TO INCLUDE ALL CASES ON INSOLVENCY AND LIQUIDATION UNDER THE FRIA)**

Pursuant to the Resolution dated 16 November 2015 in A.M. No. 03-03-03-SC, the Court *En Banc*, among other matters, expanded the coverage of cases cognizable by the special commercial courts by including all cases on insolvency and liquidation under the Financial Rehabilitation and Insolvency Act of 2010 (FRIA).

The Resolution dated 16 November 2015, appended herein as Annex "A", was published in the Philippine Daily Inquirer and Philippine Star on 14 January 2016 and shall take effect on 29 January 2016.

Accordingly, this Circular supersedes OCA Circular No. 206-2015 dated 08 September 2015.

Strict compliance is hereby enjoined.

January 14, 2016

  
**JOSE MIDAS P. MARQUEZ**  
Court Administrator



Republic of the Philippines  
**Supreme Court**  
Manila

**Annex "A"**

EN BANC

**A.M. NO. 03-03-03-SC**

AMENDMENT OF A.M. NO. 03-03-03-SC DATED JUNE 17, 2003,  
FOR THE EXPANSION OF THE COVERAGE OF CASES COGNIZABLE BY  
THE SPECIAL COMMERCIAL COURTS TO INCLUDE ALL CASES  
ON INSOLVENCY AND LIQUIDATION UNDER THE FRIA

**RESOLUTION**

*Whereas*, Section 6 of Republic Act (R.A.) No. 10142, otherwise known as the Financial Rehabilitation and Insolvency Act of 2010 (the FRIA) empowers the Supreme Court to designate the courts that will hear and resolve cases brought thereunder and to promulgate the rules of pleading, practice, and procedure that will govern such proceedings;

*Whereas*, in view of the passage of R.A. No. 8799, which transferred the jurisdiction of the Securities and Exchange Commission over all cases enumerated under Section 5 of Presidential Decree No. 902-A, including cases involving rehabilitation of corporations, partnerships, and other associations, to the Regional Trial Courts, A.M. No. 03-03-03-SC dated June 17, 2003 designated Special Commercial Courts to handle these cases, as well as intellectual property cases;

*Whereas*, A.M. No. 03-03-03-SC needs to be further strengthened in order to address the gaps in venue caused by the limited number of designated Special Commercial Courts per judicial region;

*Whereas*, Sections 18 and 23 of Batas Pambansa Bilang 129 (The Judiciary Reorganization Act of 1980) authorize the Supreme Court to define the territorial authority of the branches of the Regional Trial Court to allow better access to justice;

*Whereas*, cases governed by the FRIA for (1) the rehabilitation of sole proprietorships, (2) insolvency and liquidation of corporations, partnerships and other associations, and (3) insolvency and suspension of payments/discharge of individuals, are likewise special cases that are commercial in nature;

*Whereas*, liquidation cases emanating from administrative proceedings, not from the FRIA, are likewise commercial in nature;

*Whereas*, to streamline the court structure and promote expediency and efficiency in handling special commercial cases, the exercise of jurisdiction to hear and decide all rehabilitation, insolvency and liquidation cases brought under the FRIA and those emanating from administrative proceedings are best consolidated under the Special Commercial Courts;


**NOW, THEREFORE, the Court Resolves:**

1. That (1) cases governed by the FRIA for (a) the rehabilitation of sole proprietorships, (b) the insolvency and liquidation cases of corporations, partnerships and other associations, and (c) insolvency and suspension of payments/discharge of individuals, and (2) those liquidation cases emanating from administrative proceedings shall be heard and decided by the designated Special Commercial Courts;
2. Upon the effectivity of this Resolution, all newly filed and pending cases mentioned in the immediately preceding paragraph shall be assigned or transferred to the designated Special Commercial Courts having territorial jurisdiction over them;
3. When there is no Special Commercial Court designated to hear and decide a case filed within a specific territory in accordance with the existing rules on venue, the case may be filed **in the nearest** designated Special Commercial Court within the judicial region of said territory; and
4. In order to ensure a just and equitable distribution of cases, the designated Special Commercial Courts shall continue to participate in the raffle of other cases. Provided, however, that the Executive Judge concerned shall adopt a procedure whereby every rehabilitation, insolvency or liquidation case assigned or transferred to a Special Commercial Court shall be duly credited to such court.

This Resolution shall take effect fifteen (15) days following its publication in the Official Gazette or in two (2) newspapers of national circulation.

November 16, 2015


  
**MARIA LOURDES P. A. SERENO**  
Chief Justice

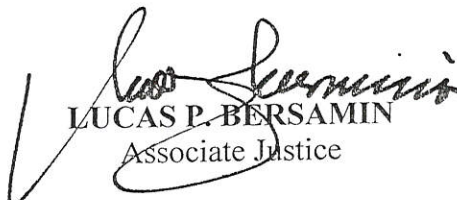
  
**ANTONIO T. CARPIO**  
Associate Justice


  
**PRESBITERO J. VELASCO, JR.**  
Associate Justice

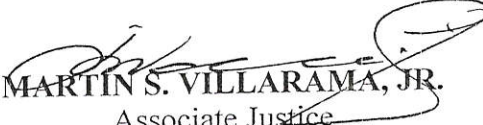
  
**TERESITA J. LEONARDO-DE CASTRO**  
Associate Justice

  
**ARTURO D. BRION**  
Associate Justice

  
**DIOSDADO M. PERALTA**  
Associate Justice

  
**LUCAS P. BERSAMIN**  
Associate Justice

  
**MARIANO C. DEL CASTILLO**  
Associate Justice

  
**MARTIN S. VILLARAMA, JR.**  
Associate Justice




JOSE PORTUGAL PEREZ  
Associate Justice



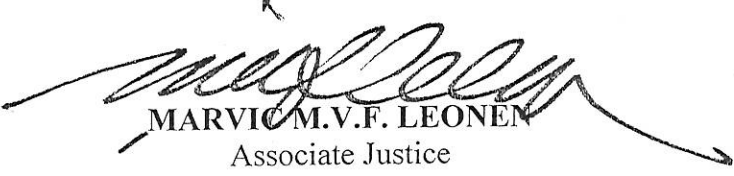
JOSE CATRAL MENDOZA  
Associate Justice



BIENVENIDO L. REYES  
Associate Justice



ESTELA M. PERLAS-BERNABE  
Associate Justice



MARVIC M.V.F. LEONEN  
Associate Justice



FRANCIS H. JARDELEZA  
Associate Justice