



FEDERATION OF INDIAN CHAMBERS OF COMMERCE (PHIL.) INC.

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OFFICIAL UPDATE ON THE LEGALIZATION OF MONEY LENDING BUSINESSES

March 12, 2017

Dear Community Members:

Please see final official guidelines to be followed for company registration with the SEC. The first step would be to determine whether you will be forming a corporation that is up to 40% foreign-owned or more than 40% foreign-owned. The second step would be to determine whether you will be opening a new corporation or conversion from an already existing corporation to a lending corporation. We have detailed the steps below for each of the scenarios and have included links for your easy reference.

1. For 60% Filipino and 40% Foreign Ownership:

- a. **NEW CORPORATION:** New applications for Money Lending Corporations as the primary purpose and / or with a secondary purpose such as trading or wholesale requiring a PHP 1,000,000 paid up capital. Note if the secondary purpose is retail then the capitalization is USD 2.5 million. Note further that you may or may not have a secondary purpose as long as your primary purpose is lending. Please click on the following link: [60-40% NEW](#)
- b. **CONVERSION:** Conversion from ordinary corporations to lending corporations with or without a secondary purpose such as trading or wholesale requiring a PHP 1,000,000 paid up capital. Note if the secondary purpose is retail then the capitalization is USD 2.5 million. Note further that you may or may not have a secondary purpose as long as your primary purpose is lending. Please click on the following link: [60-40% CONVERSION](#)

2. For Foreign Ownership Greater than 40%:

- a. **NEW CORPORATION:** New applications for Money Lending Corporations as the primary purpose and / or with a secondary purpose such as trading or wholesale requiring a USD 200,000.00 paid up capital. Note if the secondary purpose is retail then the paid up capitalization is USD 2.5 million. Note further that you may or may not have a secondary purpose as long as your primary purpose is lending. Please click on the following link: [OVER 40% NEW](#)
- b. **CONVERSION:** Conversion from ordinary corporations to lending corporations with or without a secondary purpose such as trading or wholesale requiring a USD 200,000.00 paid up capital. Note if the secondary purpose is retail then the capitalization is 2.5 million USD. Note further that you may or may not have a secondary purpose as long as your primary purpose is lending. Please click on the following link: [OVER 40% CONVERSION](#)

We are also working on getting templates for the required documents for easy application, we will share these as soon as they are available.

The deadline to file your applications with the Securities and Exchange Commission is April 30, 2017 . We are trying to get this deadline extended but will only be able to do so once the government sees that people are really complying and there is a sincere intent to legalize. Please comply immediately. You may also address any questions to the SEC thru their website www.sec.gov.ph under the i-message mo feature. All questions are best addressed to them to ensure accurate replies.

Thank you and please be guided.

On Behalf of the Board of Directors,

Sincerely,

Rex Daryanani
President