Securities and Exchange Commission
PHILIPPINES

BAGONG PILIPINAS

FINANCING AND LENDING COMPANIES DEPARTMENT

IN THE MATTER OF:

SANA CREDIT

Respondent.
x----------x

FLCD CDO Case No. 07
Series of 2025.

FOR: VIOLATION OF SEC MEMORANDUM CIRCULAR NO. 19, SERIES OF 2019, MEMORANDUM CIRCULAR NO. 10, SERIES OF 2021, AND FINANCIAL PRODUCTS AND SERVICES CONSUMER PROTECTION ACT

CEASE AND DESIST ORDER

This refers to the information received by the Securities and Exchange Commission ("Commission" or "SEC") concerning the alleged operation of an unrecorded Online Lending Platform ("OLP") named **SANA CREDIT** (the "Respondent") reported by EIPD showing virtual presence at Apple Play Store, LoanPHI, and Similarweb.

ANTECEDENTS

A review of the Respondent's records on file with the Commission reveals that no disclosure was filed in accordance with Memorandum Circular No. 19, Series of 2019 ("MC 19"), which requires the reporting of any **OLPs**.

Additionally, verified information received by the Commission confirms that the Respondent has been operating **OLP** without proper disclosure, in violation of the following:

> *MC 19 – Disclosure Requirements on Advertisements and Reporting of Online Lending Platforms;*
>
> *Memorandum Circular No. 10, Series of 2021 ("MC 10") Moratorium on the Registration of New Online Lending Platforms;*
>
> *Republic Act No. 11765, otherwise known as the Financial Products and Services Consumer Protection Act ("FCPA").*

ISSUE

Whether a Cease and Desist Order (CDO) should be issued against the Respondent for its violations of MC 19, MC 10, and the FCPA?

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RULING

After due consideration, the Commission finds that the issuance of a Cease and Desist Order against the Respondent is warranted and necessary.

The Respondent's failure to disclose the operation of its **OLP** constitutes a clear violation of the above-cited regulations. By operating an unregistered and undisclosed online lending platform, the Respondent effectively circumvents the Commission's regulatory and supervisory authority. Consequently, the general public particularly borrowers are exposed to potential risks, including:

Abusive and unfair debt collection practices;

Unjust interest rates;

Violation of data privacy rights.

Pursuant to Section 6(d)(4) of the FCPA, as implemented by SEC Memorandum Circular No. 5, Series of 2023, the Commission is empowered to issue a CDO without the necessity of a prior hearing if, in its judgment, the act or practice, unless restrained, constitutes fraud, violates the FCPA or its Implementing Rules and Regulations (IRR), or may unjustly cause grave or irreparable injury to financial consumers.

"**RULE 6**

Powers of the SEC

Section 1. Powers of the Commission – The Commission shall, in the implementation of these Rules and the provisions of the FCPA, have the authority to impose enforcement actions against financial service providers for noncompliance with the FCPA, its IRR, and other applicable laws.

Such enforcement actions may include:

"Issuance of a cease and desist order ('CDO') to a financial service provider without the necessity of a prior hearing if, in the Commission's judgment, the act or practice, unless restrained, amounts to fraud or a violation of the FCPA and/or the SEC FCPA IRR, or may unjustly cause grave or irreparable injury or prejudice to financial consumers. A CDO is immediately executory upon service or publication on the Commission's website." (Emphasis supplied)

In light of the Respondent's continued unauthorized operation of its OLP, the Commission finds it necessary to issue this Cease and Desist Order in order to prevent further harm or prejudice to the public, and to safeguard the integrity of the regulatory framework governing lending companies.

WHEREFORE, premises considered, **SANA CREDIT** including its owners, operators, promoters, representatives, agents, and any and all persons claiming or acting on its behalf, are hereby **DIRECTED TO IMMEDIATELY CEASE AND DESIST** from engaging in, conducting, promoting, or facilitating any lending-related activities or through any similar or related

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platforms, whether online or offline, without the necessary registration and approval from the Commission.

Let this Order be served immediately and be deemed executory upon service or publication on the Commission's official website.

SO ORDERED.

28 July 2025, Makati City.

Kenneth Joy A. Quimio
OIC Director

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