Securities and Exchange Commission
Philippines

SEC MEMORANDUM CIRCULAR NO. 14
Series of 2019

SUBJECT: RULES AND REGULATIONS GOVERNING CROWDFUNDING (CF)

NOTICE

In recognition of the recent financial innovation of raising funds for a venture or business using internet platforms, the Commission formulated rules on crowdfunding in accordance with the Securities Regulation Code (SRC) and international practices and standards.

PREAMBLE

WHEREAS, it is the policy of the Commission to encourage investments and active public participation in the capital market, foster good governance and ensure protection of investors;

WHEREAS, the continuous advancement of information and communication technology and the globalization of financial markets facilitate innovative financial environment, which includes fund raising through internet platforms such as crowdfunding;

WHEREAS, crowdfunding will help raise capital and resources for small and local business start-ups or ventures, given standards set by *these Rules*.

WHEREAS, crowdfunding will provide alternative investment opportunity for the investing public;

WHEREAS, *Section 8 of the SRC* provides that securities shall not be sold or offered for sale or distribution within the Philippines, without a registration statement duly filed with the and approved by the Commission;

WHEREAS, *Section 10.2 of the SRC* provides that the Commission may exempt securities transactions from registration requirement if it finds that registration is not necessary in the public interest or for the protection of the investors such as by reason of small amount involved or the limited character of the public offering;

WHEREAS, *Section 32.2 (a) of the SRC* prohibits brokers, dealers, salesmen and associated persons of broker or dealer from making, creating or operating, or enabling another to make, create or operate, any trading market, otherwise than on a registered Exchange, for the buying and selling of any security, except in accordance with the rules and regulations that the Commission prescribes;

WHEREAS, *Section 37 of the SRC* promotes national economic development and competitiveness in the market and directs the Commission to promulgate rules for the registration and licensing of innovative and other trading markets for innovative securities, securities of small, medium, growth and venture enterprises and technology-based ventures;

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WHEREAS, *Section 72 of the SRC* authorizes the Commission to issue, amend and rescind rules and regulations as may be necessary or appropriate, including rules and regulations defining accounting, technical, and trade terms used in the SRC, and prescribe forms in which information shall be set forth in registration statements, applications, and reports to the Commission. For this purpose, the Commission may classify persons, securities, and other matters within its jurisdiction, prescribe different requirements for different classes of persons, securities, or matters, by rule or order, conditionally or unconditionally exempt any person, security, or transaction, or class of persons, securities or transactions from any or all provisions of the *SRC*;

WHEREAS, it is essential to ensure that crowdfunding shall operate in a manner that is consistent with investor protection, and in the interest of the public, market integrity and transparency;

NOW THEREFORE, the Commission hereby issues and promulgates the following Rules Governing Crowdfunding and the transactions and persons involved therein.

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ARTICLE ONE: GENERAL PROVISIONS

CHAPTER ONE: Definitions

Section 1. Applicability and Coverage These rules shall be known as the "*Rules and Regulations Governing Crowdfunding (CF).*" These rules shall primarily govern the operation and use of equity-based and lending-based CF by registered persons such as brokers, investment houses, funding portal, and issuers and investors who participate in CF through an online platform. Crowdfunding through means or medium other than online electronic platform is not within the coverage of *these Rules*, hence, the usual requirements under the *SRC* shall apply.

Section 2. Definition of Terms – For purposes of *these Rules*, the following definition of terms shall apply unless the context otherwise requires:

A. *Crowdfunding* refers to the offer or sale of securities of a limited scale usually for start-ups, micro, small and medium enterprises (MSMEs) done through an online electronic platform.

B. *Crowdfunding intermediary or intermediary* refers to a registered broker, investment house, or funding portal which mediates offer and sale of crowdfunding securities through it online electronic platform.

C. *Crowdfunding platform or platform* is a program or application accessible via the Internet or other similar electronic communication medium through which a registered broker or a registered funding portal acts as an intermediary in a transaction involving the offer or sale of securities.

D. *Investor* refers to any person or entity that seek to make, are making, or have made an investment in an investment vehicle with the expectation of achieving profit.

E. *Issuer* refers to the originator, maker, obligor, or creator of the security which shall be registered with the intermediary.

F. *SRC* refers to the *Securities Regulation Code* under the Republic Act No. 8799.

G. *Commission* refers to the Securities and Exchange Commission.

H. *Start-up* refers to an organization, company, venture or project which is at the initial phase of a business cycle.

I. *MSME* as defined in Republic Act (R.A.) 9501 or the *Magna Carta for MSMEs*, is "any activity or enterprise engaged in industry, agribusiness, and/or services, whether single proprietorship, cooperative, partnership or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, shall have value falling under the following categories:

Micro	: not more than P3,000,000
Small	: P3,000,001 - P15,000,000
Medium	: P15,000,001 - P100,000,000"

J. *Securities* are shares, participation or interests in a corporation or in a commercial enterprise or profit-making venture and evidenced by a certificate, contract, instruments, whether written or electronic in character. It includes: (a) Shares of stocks, bonds, debentures, notes evidences of indebtedness, asset-backed securities; (b) Investment contracts, certificates of interest or participation in a profit sharing agreement, certifies of deposit for a future subscription; (c) Fractional undivided interests in oil, gas or other mineral rights; (d) Derivatives like option and warrants; (e) Certificates of assignments, certificates of participation, trust certificates, voting trust certificates or similar instruments (f) Proprietary or nonproprietary membership certificates in corporations; and (g) Other instruments as may in the future be determined by the Commission, as defined under *Section 3 of the Securities Regulation Code (SRC)*.

K. *Registered persons* are entities such as brokers and investment houses with fiduciary responsibilities engaged in buying and selling of securities for the account of others.

   i. *Brokers* refer to persons engaged in the business of buying and selling of securities for the account of others.

   ii. *Investment houses* refer to enterprises engaged in the underwriting of securities of another person or enterprise, including securities of government and its instrumentalities, among others.

L. *Retail investor* is a person who is not a Qualified Investor.

M. *Funding portal* is an intermediary organized and registered as a corporation to facilitate transactions involving the offer or sale of CF securities through online electronic platform. **Funding portal does not**:

   i. Offer investment advice or recommendations;

   ii. Solicit purchases, sales or offers to buy the securities displayed on its platform;

   iii. Compensate employees, agents, or other persons for such solicitation or based on the sale of securities displayed or referenced on its platform; or

   iv. Hold, manage, possess, or otherwise handle investor funds or securities.

N. *Persons associated with a crowdfunding intermediary* are any partner, officer, director or manager of a crowdfunding intermediary (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling or controlled by such crowdfunding intermediary, or any employee of a crowdfunding intermediary, except that any person associated with a crowdfunding intermediary whose functions are solely clerical or ministerial shall not be included in the meaning of such term.

O. *Nonresident funding portal* is a funding portal incorporated in or organized under the laws of a jurisdiction outside of the Republic of the Philippines, or having its principal place of business in a place not located in the Republic of the Philippines.

P. *Qualified investor* is a person who is a *Qualified Buyer* as defined under the *2015 SRC IRR Rule*

10.1.3. which are the following:

i. Bank;

ii. Registered investment house;

iii. Insurance company

iv. Pension fund or retirement plan maintained by the Government of the Philippines or any political subdivision thereof or managed by a bank or other persons authorized by the *Bangko Sentral ng Pilipinas* to engage in trust functions;

v. Investment company; or

vi. Such other person as the Commission may by rule determine as qualified buyers, on the basis of such factors as financial sophistication, net worth, knowledge, and experience in financial and business matters, or amounts of assets under management.

For the purposes of *Section 2.O.vi.* above, such other persons that the Commission may by rule determine as qualified buyers shall comply with the requirements of the *2015 SRC Rule 10.1.11.*

Q. *Registrar of qualified buyers* are authorized registers which have been granted the appropriate secondary license by the Commission to act as Registrar upon proper application and compliance with registration requirements under the *2015 SRC.*

R. *Sensitive personal information* are information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.

S. *Material information* is any fact or information that may result in a change in the market price or value of any of the Issuer's securities, or may potentially affect the investment decision of an investor.

CHAPTER TWO: Exemption from Registration of Securities

Section 3. Eligibility for Exemption from Registration of Securities – An issuer may offer or sell securities under *these Rules* without the need for registering said securities under *Section 12 of the SRC, provided* that:

A. The issuer is an entity organized under the laws of the Philippines or a Filipino natural person, and accredited and/or accepted by a crowdfunding intermediary to utilize its platform;

B. The aggregate amount of securities that can be offered and sold by issuer within a 12-month period shall comply with the following limits:

i. Offering of securities with an aggregate value of up to Ten Million Pesos or Php10,000,000.00 within a 12-month period can be offered and sold to *any investor*;

ii. Offering of securities with an aggregate value of above Ten Million Pesos or Php10,000,000.00 but not exceeding Fifty Million Pesos or Php50,000,000.00 within a 12-month period can only be offered and sold to *Qualified Investors*.

C. The aggregate amount of securities sold to any investor across all issuers in securities crowdfunding during the 12-month period shall not exceed the following limits set forth:

i. Retail Investors with income of up to Two Million Pesos or Php2,000,000.00 per year may purchase securities through a Crowdfunding Intermediary in a maximum value of 5% of their total income per year.

ii. Retail Investors with income of more than Two Million Pesos or Php2,000,000.00 per year may purchase securities through a Crowdfunding Intermediary in a maximum value of 10% of their total income per year.

iii. Qualified Investors are not subject to the limits set forth above, *provided* that the Qualified Investor complies with *2015 IRR Rule 10.1.3* and *2015 IRR Rule 10.1.11*.

D. The issuance of securities is conducted through an intermediary that complies with the requirements for intermediaries and the related requirements under these Rules, and the issuance of securities is conducted exclusively through the intermediary's platform; and

For purposes of calculating aggregate amount of securities offered and sold by an issuer under *Section 3(B)* above and determining whether an issuer has previously sold securities within a 12-month period, issuer shall include all entities controlled by or under common control with the issuer and any predecessors of the issuer.

Similar crowdfunding done through medium other that online electronic platform may not avail of this exemption from registration of securities under *Section 12 of the SRC*.

ARTICLE TWO: CROWDFUNDING INTERMEDIARY REQUIREMENTS

As defined in Section 2, crowdfunding intermediaries refer to brokers, investment houses, and funding portals mediating sale and resale of crowdfunding securities. Article Three details funding portal eligibility and disclosure requirements.

CHAPTER ONE: General Requirements for Intermediaries

Section 4. Registration of Crowdfunding Intermediary – No person shall act as an intermediary in a crowdfunding transaction unless he is registered as *(i)* a broker pursuant to the requirements of *Section 28 of the SRC*, or *(ii)* an investment house under the *Investment Houses Law and its Implementing Rules and Regulations*, or *(iii)* a funding portal in accordance with the requirements of *Section 34 – Registration* of Funding Portals.

In applying for registration as a crowdfunding intermediary, the applicant shall specifically signify in the application his intention to conduct the activities of a crowdfunding intermediary, either singly or in concert with others, prior to engaging in said activities through SEC Form CF-I and the submission of the requirements

An applicant to register as a crowdfunding intermediary before the Commission shall satisfy the following criteria:

A. The applicant shall demonstrate that it is capable to operate an orderly, fair and transparent market in relation to the offer and sale of securities through its electronic facilities;

B. The applicant's board, chief executive, controller, and any other person who is primarily responsible for its operations, are fit and proper and have not-

   i. willfully violated any provision of *these Rules*, the *SRC and its rules*, any rule, regulation or order made hereunder, or any other laws administered by the Commission, or in the case of a registered broker has failed to supervise, with a view to preventing such violation, another person who commits such violation;

   ii. willfully made or caused to be made a materially false or misleading statement in any application for registration or report filed with the Commission or a self-regulatory organization, or has willfully omitted to state any material fact that is required to be stated therein;

   iii. failed to satisfy the qualifications or requirements for registration prescribed under *Article Two of these Rules—Crowdfunding Intermediary Requirements*, and any related provisions in the *SRC and its rules*;

   iv. been convicted, by a competent judicial or administrative body of an offense involving moral turpitude, fraud, embezzlement, counterfeiting, theft, estafa, misappropriation, forgery, bribery, false oath, or perjury, or of a violation of securities, commodities, banking, real estate or insurance laws;

v. been enjoined or restrained by a competent judicial or administrative body from engaging in securities, commodities, banking, real estate or insurance activities or from willfully violating laws governing such activities;

vi. been subject to an order of a competent judicial or administrative body refusing, revoking or suspending any registration, licensed or other permit under *these Rules*, the *SRC and its rules*, and any other laws administered by the Commission;

vii. been subject to an order of a self-regulatory organization suspending or expelling him from membership or participating therein or from association with a member or participant thereof;

viii. been found by a competent judicial or administrative body to have willfully violated any provisions of securities, commodities, banking, real estate or insurance laws, or has willfully aided, abetted, counseled, commanded, induced or procured such violation; or

ix. been judicially declared insolvent.

For purposes of this subsection, the term "*competent judicial or administrative body*" shall include a foreign court of competent jurisdiction and a foreign financial regulator.

C. The applicant's Board will be able to ensure the crowdfunding intermediary complies with all the requirements under the *SRC and its Rules*, including any directive or any term or condition imposed by the Commission;

D. The applicant will be able to manage risks associated with its business and operation including demonstrating the processes and contingency arrangement in the event the applicant is unable to carry out its operations;

E. The applicant shall establish and maintain policies and procedures to monitor crowdfunding activities in its platform and ensure compliance with *these Rules*;

F. The applicant will appoint at least one lead person as required under *Section 5 – Appointment of Lead Person*;

G. The applicant will be able to take appropriate action against a person in breach including directing the person in breach to take any necessary remedial measure;

H. The operational framework, policies and procedures of the intermediary shall make satisfactory provisions-

i. for the protection of investors and public interest;

ii. to ensure proper functioning of the market;

iii. to promote fairness and transparency;

iv. to manage any conflict of interest that may arise;

v. to promote fair treatment of its users or any person who subscribe for its services;

vi. to promote fair treatment of any issuer, or potential issuer, on its portal;

vii. to ensure proper regulation and supervision of its users, or any person utilizing or accessing its portal, including suspension and expulsion of such persons;

viii. to provide an avenue of appeal against the decision of the crowdfunding operator; and

ix. the applicant has sufficient financial, human, and other resources for the operation of crowdfunding activities, at all times.

I. Before the applicant is allowed to fully operationalize the platform, the Commission may require among others:

i. The intermediary to provide an IT assurance regarding the system readiness; and

ii. A written declaration by the intermediary's internal auditor or lead person confirming that the intermediary has, in relation to the crowdfunding market:

a. Sufficient human, financial and other resources to carry out operations;

b. Adequate securities measures, systems capacity, business continuity plan and procedures, risk management, data integrity and confidentiality, record-keeping and audit trail, for daily operations and to meet emergencies; and

c. Sufficient IT and technical support arrangements.

For purposes of this rule, users mean issuers, investors, potential investors who have the authority to use or access a crowdfunding intermediary's platform.

Section 5. Appointment of Lead Person – A crowdfunding intermediary shall appoint at least one Lead Person who shall be the chief executive of the intermediary or any person who is primarily responsible for the operations and financial management, by whatever name he is called.

At all times, the Lead Person shall undertake the role of the main contact person for the purpose of liaising with the Commission and perform any duty as may be directed by the Commission.

Any vacancy in relation to the position of a Lead Person shall be filled within one month from the date of resignation or the date of effectivity of resignation of the former Lead Person in compliance with this Chapter.

Section 6. Training of Lead Person and Persons Associated with a Crowdfunding Intermediary – A crowdfunding intermediary shall ensure that the Lead Person and Persons associated with the crowdfunding intermediary undergo relevant trainings with regard to crowdfunding activities and its related activities.

Section 7. Management of Conflict of Interest A crowdfunding intermediary shall establish a framework which sets out policies and procedures to effectively and efficiently manage conflicts of interest including potential conflicts of interest which may arise in the course of the intermediary carrying out its functions. Such conflicts shall be managed in a timely manner.

The intermediary and its officers are prohibited from providing any financial assistance to investors to invest in the securities offered on or through its platform.

The intermediary is prohibited from providing any funding to issuers or investing in any of the security offered on or through its platform.

Notwithstanding the paragraph above, officers of the intermediary are permitted to invest subject to the intermediary having in place appropriate process and procedure to manage conflict of interest.

CHAPTER TWO: Ongoing Obligations

Section 8. Disclosure of Extent of Review Activities A crowdfunding intermediary shall disclose the extent of its review, due diligence exercise, and/or risk assessment activities carried out on prospective Issuers, including its disclosures, intending to use its crowdfunding platform.

The scope of the review and due diligence exercise by a crowdfunding intermediary shall include taking reasonable steps to:

A. Conduct background checks on the issuer to ensure fit and properness of the issuer, its board of directors, senior management and controlling owner;

B. Verify the business proposition of the issuer;

C. Carry out assessment on the issuer's creditworthiness; and

D. Ensure the issuer's disclosure document lodged with the crowdfunding intermediary is verified against public records and any available third-party sources.

In compliance with the requirements of *paragraph A* above, the crowdfunding intermediary shall require the submission of NBI Clearance of the issuer, its board of directors, senior management and controlling owner among other things.

Section 9. Monitoring and Compliance – A crowdfunding intermediary monitors and ensures compliance, by itself, its officers and staff, the issuers and users, of the *SRC and its Implementing Rules and regulations*, the *Rules and Regulations Governing Crowdfunding, its own Rules and Regulations* as prescribed under *Section 4.H of these Rules (Requirement for Operational Framework, Policies and Procedures)*, and other rules and conventions that would be prescribed by the Commission.

Section 10. Immediate Notifications to the Commission – A crowdfunding intermediary shall immediately notify the Commission of:

A. Any irregularity or breach of any provision of the *SRC, its Rules*, of *these Rules*, including any alleged or suspected violations of any law or guidelines in relation to money laundering and terrorism financing by its participants;

B. Any material change in the information submitted to the Commission; and

C. Any matter which adversely affects or is likely to adversely affect its ability to meet its obligations or to carry out its functions under *these Rules*.

Section 11. Information on Platforms – A crowdfunding intermediary shall disclose and display prominently on its platform, any relevant information relating to its crowdfunding activities including–

A. Information relating to issuer as specified under *Article Four - Issuer Requirements*;

B. Issuer disclosures and other Issuer submissions, including Offering Statement, Annual Report and Progress Update;

C. Information on how the crowdfunding platform facilitates the investor's investment;

D. General risk warning in participating in CF;

E. Information on rights of investor relating to participation in CF;

F. Information about complaints handling or dispute resolution and its procedures;

G. Commission approved fees, charges and other expenses that it may charge to, impose on an issuer or investor; and

H. Information on processes and contingency arrangement in the event the crowdfunding intermediary is unable to carry out its operations or cessation of business.

CHAPTER THREE: Prudential Requirements

Section 12. Expenditure- and Risk- Based Minimum Capital Requirement – An intermediary in a transaction involving the offer or sale of securities in reliance on Rules Governing Crowdfunding shall, at all times, maintain a capital amount which exceeds its annual operational expenditure which constitutes all expenses and losses that arise in the crowdfunding intermediary's normal course of business facilitating the offer or sale of securities in reliance to *these Rules* in a twelve-month accounting period.

For the purposes of this section, a crowdfunding intermediary shall calculate its relevant annual operational expenditure with reference to its most recent audited financial statements. If the crowdfunding intermediary's most recent audited financial statements do not represent a twelve-month accounting period, it shall calculate its annual operational expenditure on a pro rate basis so as to produce an equivalent annual amount. If a crowdfunding intermediary has not completed its first twelve months of business operations, it shall calculate its annual operational expenditure based on forecast expenditure as reflected in the budget for the first twelve months of business operations, as submitted with its application.

If a crowdfunding intermediary has (i) a material change in its expenditure; or (ii) varied its crowdfunding activities, it shall recalculate its expenditure-based minimum capital accordingly.

Where a crowdfunding intermediary has recalculated its annual operational expenditure and its expenditure-based minimum capital, it shall submit this recalculation to the Commission within 10 days of its completion and seek approval from the Commission. The Commission may within 30 days upon receipt of the recalculation object to the recalculation and require the crowdfunding intermediary to revise its expenditure-based minimum capital.

The Commission may require additional capital in the form of cash or insurance to cover any risky activities arising from the proposed or actual operations of the Crowdfunding Intermediary.

CHAPTER FOUR: Measures to Reduce Risk of Fraud

Section 13. Measures to Reduce Risk of Fraud – An intermediary in a transaction involving the offer or sale of securities in reliance on Rules Governing Crowdfunding shall:

A. Have a reasonable basis for believing that an issuer seeking to offer and sell securities in reliance to *these Rules* through the intermediary's platform shall not commit any form of fraud including *Section 26 of the SRC on Fraudulent Transactions* and the related requirements of this part. In satisfying this requirement, an intermediary may rely in the representations of the issuer concerning compliance with these requirements unless the intermediary has reason to question the reliability of those representations;

B. Have a reasonable basis for believing that the issuer has established means to keep accurate records of the holders of the securities it would offer and sell through the intermediary's platform, *provided* that an intermediary has reason to question the reliability of those representations;

C. Deny access to its platform to an issuer if the intermediary:

   i. Has reasonable basis for believing that the issuer or any of its officers, directors (or any person occupying a similar status or performing a similar function) or beneficial owners of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power, is subject to disqualification under *Article Four Chapter Two – Disqualification Provisions.* In satisfying this requirement, an intermediary shall, at a minimum, conduct a background and securities enforcement regulatory history check on each issuer whose securities are offered by the intermediary and on each officer, director or beneficial owner of 20 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power.

   ii. Has a reasonable basis for believing that the issuer of the offering presents the potential for fraud or otherwise raises concerns about investor protection. In satisfying this requirement, an intermediary shall deny access if it reasonably believes that it is unable to adequately or effectively assess the risk of fraud of the issuer or its potential offering. In addition, if an intermediary becomes aware of information after it has granted access that causes it to reasonably believe that the issuer or the offering presents the potential for fraud or otherwise raises concerns about investor protection, the intermediary shall

promptly remove the offering from its platform, cancel the offering, and return (or for funding portals, direct the return of) any funds that have been committed by inventors in the offering.

CHAPTER FIVE: Account Opening

Section 14. Accounts and Electronic Delivery – No intermediary may accept an investment commitment in a transaction involving the offer or sale of securities in reliance on *these Rules* until the investor has opened an account with the intermediary and the intermediary has obtained from the investor consent to electronic delivery of materials.

An intermediary shall provide all information that is required under *these Rules*, including, but not limited to, educational materials on investing in crowdfunding, notices and confirmations, through electronic means. Unless otherwise indicated in the relevant rule under this Article, in satisfying this requirement, an intermediary shall provide the information through an electronic message that contains the information, through an electronic message that includes a specific link to the information as posted on the intermediary's platform, or through an electronic message that provides notice of what the information is and that it is located on the intermediary's platform or on the issuer's website. Electronic messages include, but are not limited to, e-mail, social media messages, instant messages or other electronic media messages.

Section 15. Educational Materials – An intermediary shall deliver educational materials to investors establishing an account on their platform that explain in plain language and are otherwise designated to communicate effectively and accurately:

A. The process for the offer, purchase and issuance of securities through the intermediary and the risks associated with purchasing securities offered and sold in reliance to *these Rules*;

B. The types of securities offered and sold in reliance on *these Rules* available for purchase on the intermediary's platform and the risks associated with each type of security, including the risk of having limited voting power as a result of dilution;

C. Any restriction on the resale of a security offered and sold in reliance on *these Rules*;

D. The types of information that an issuer is required to provide under *Section 43 – Disclosure Requirements*, the period and frequency of the delivery of that information;

E. The limitations on the amounts an investor may invest pursuant to *Section 3 – Eligibility for Exemption from Registration*;

F. The limitations on an investor's right to cancel an investment commitment and the circumstances in which an investment may be cancelled by the issuer;

G. The need for the investor to consider whether investing in a security offered and sold in reliance to *these Rules* is appropriate for that investor;

H. That following completion of an offering conducted through the intermediary, there may or may not be any ongoing relationship between the issuer and intermediary; and

I. That under *Section 58 - End of Compliance*, an issuer shall cease to publish annual reports.

An intermediary shall make the most current version of its educational material available on its platform at all times and, if at any time, the intermediary makes a material revision to its education materials, it shall make the revised educational materials available to all investors before accepting any additional investment commitments or effecting any further transactions in securities offered and sold in reliance to *these Rules.*

Section 16. Promoters – In connection with establishing an account for an investor, an intermediary shall inform the investor that any person who promotes an issuer's offering for compensation, whether past or prospective, or who is a founder or an employee of an issuer that engages in promotional activities on behalf of the issuer on the intermediary's platform, shall clearly disclose in all communications on the intermediary's platform, respectively, the receipt of the compensation and that he or she is engaging in promotional activities on behalf of the issuer.

Section 17. Compensation Disclosure – When establishing an account for an investor, an intermediary shall clearly disclose the manner in which the intermediary is compensated in connection with offerings and sales of securities in reliance on *these Rules.*

CHAPTER SIX: Requirements with Respect to Transactions

Section 18. Issuer Information – An intermediary in a transaction involving the offer or sale of securities in reliance to *these Rules* shall make available to the Commission and to investors any information required to be provided by the issuer of the securities under *Section 43 – Disclosure Requirements.*

A. This information shall be made publicly available on the intermediary's platform, in a manner that reasonably permits a person accessing the platform to save, download, or otherwise store the information;

B. This information shall be made publicly available on the intermediary's platform for a minimum of 15 days before any securities are sold in the offering, during which time the intermediary may accept investment commitments;

C. This information, including any additional information provided by the issuer, shall remain publicly available on the intermediary's platform until the offer and sale of securities in reliance to *these Rules* is completed or cancelled; and

D. An intermediary shall require any person to establish an account with the intermediary to access this information.

Section 19. Investor Qualification – Each time before accepting any investment commitment (including any additional commitment from the same person), an intermediary shall:

A. Have a reasonable basis for believing that the investor satisfies the investment limitations established by *these Rules*. An intermediary may rely on an investor's representations concerning compliance with the investment limitation requirements, and the amount of the investor's other investments made pursuant to *these Rules* unless the intermediary has reason to question the reliability of the representation;

B. Obtain from the investor the following:

   i. A representation that the investor has reviewed the intermediary's educational materials delivered pursuant to *Section 15 - Educational Materials*, understands that the entire amount of his or her investment may be lost, and is in a financial condition to bear the loss of the investment; and

   ii. A questionnaire completed by the investor demonstrating the investor's understanding that:

      a. There are restrictions on the investor's ability to cancel an investment commitment and obtain a return of his or her investment;

      b. It may be difficult for the investor to resell securities acquired in reliance on *these Rules;* and

      c. Investing in securities offered and sold in reliance on *these Rules* involves risk, and the investor should not invest any funds in an offering made in reliance on *these Rules* unless he or she can afford to lose the entire amount of his or her investment.

   iii. A signed declaration that the investor has not exceeded his/her investment limit pursuant to *Section 3(C)* of *these Rules*.

   iv. A proof of income from Retail Investors, or a certificate issued by a Registrar of Qualified Buyers from Qualified Investors.

Section 20. Communication Channels – An intermediary shall provide on its platform communication channels by which investors and potential investors can communicate with one another and with representatives of the issuer about offerings made available on the intermediary's platform, *provided:*

A. If the intermediary is a funding portal, it does not participate in these communications other than to establish guidelines for communication and remove abusive or potentially fraudulent communications;

B. The intermediary permits public access to view the discussions made in the communication channels;

C. The intermediary restricts posting of comments in the communications channels to those persons who have opened an account with the intermediary on its platform; and

D. The intermediary requires that any person posting a comment in the communication channels clearly and predominantly disclose with each posting whether he or she is a founder or an employee of an issuer engaging in promotional activities on behalf of the issuer, or is otherwise compensated, whether in the past or prospectively, to promote the issuer's offering.

Section 21. Resale of Securities – An intermediary intending to provide a secondary market for the offer and sale of securities in reliance to *these Rules*, shall include in its operational framework the rules and procedures by which the resale of securities in reliance to *these Rules* will be conducted, and provide in its platform the necessary arrangements in conducting the resale of such securities.

Section 22. Notice of Investment Commitment – An intermediary shall promptly, upon receipt of an investment commitment from an investor, give or send to the investor a notification disclosing:

A. The peso amount of the investment commitment;

B. The price of the securities;

C. The name of the issuer; and

D. The date and time by which the investor may cancel the investment commitment.

Section 23. Maintenance and Transmission of Funds – The proceeds resulting from the offer and sale of Crowdfunding securities, or an amount equal to these proceeds, shall be credited into a sub-account, moved to a sub-portfolio, or otherwise tracked by the Crowdfunding Intermediary in an appropriate manner and attested to by a formal internal process.

In compliance with this section, an intermediary shall direct investors to transmit the money or other consideration directly to a bank that has agreed in writing to hold the funds for the benefit of, and to promptly transmit or return the funds to the persons entitled thereto.

An intermediary in a transaction involving the offer or sale of securities in reliance on these shall promptly direct the bank to:

A. Transmit funds from the bank to the issuer when the aggregate amount of investment commitments from all investors is equal to or greater than the target amount of the offering, and the cancellation period as set forth in *Chapter Seven of this Article – Completion of Offerings, Cancellations, and Reconfirmations* has lapsed, *provided* that in no event may the intermediary direct this transmission of funds earlier than 15 days after the date on which the intermediary makes publicly available on its platform the information required to be provided by the issuer under *Section 43 – Disclosure Requirements*;

B. Return funds to an investor when an investment commitment has been cancelled in accordance with *Chapter Seven of this Article – Completion of Offerings, Cancellations, and Reconfirmations* (including for failure to obtain effective reconfirmation as required under *Section 27 – Cancellations and Reconfirmations Based in Material Changes)*; and

C. Return funds to investors when an issuer does not complete the offering.

Section 24. Confirmation of Transaction – An intermediary shall, at or before the completion of a transaction in a security in reliance on *these Rules* give or send to each investor a notification disclosing:

A. The date of the transaction;

B. The type of security that the investor is purchasing;

C. The identity, price, and number of securities purchased by the investor, as well as the number of securities sold by the issuer in the transaction and the price(s) at which the securities were sold;

D. If a debt security, the interest rate and the yield to maturity calculated from the price paid and the maturity date;

E. If callable security, the first date that the security can be called by the issuer; and

F. The source, form and amount of any remuneration received or to be received by the intermediary from persons other than the issuer.

CHAPTER SEVEN: Completion of Offerings, Cancellations, and Reconfirmations

Section 25. Cancellation – An investor may cancel an investment commitment for any reason until 48 hours prior to the deadline identified in the issuer's offering materials. During the 48 hours prior to such deadline, and investment commitment may not be cancelled except as provided in *Section 27 – Cancellations and Reconfirmations Based in Material Changes.*

Section 26. Early Completion of Offering – If an issuer reached the target offering amount prior to the deadline identified in its offering materials pursuant to *Section 43 – Disclosure Requirements*, the issuer may close the offering on a date earlier than the deadline identified in its offering materials, *provided* that:

A. The offering remains open for a minimum of 15 days pursuant to *Chapter Six of this Article – Requirements with Respect to Transactions*;

B. The intermediary provides notice to any potential investors, and gives or sends notice to investors that have made investment commitments in the offering, of:

   i. The new anticipated deadline of the offering;

   ii. The right of investors to cancel investment commitments for any reason until 48 hours prior to the new offering deadline; and

   iii. Whether the issuer will continue to accept investment commitments during the 48-hour period prior to the new offering deadline.

C. The new offering deadline is scheduled for and occurs at least five business days after the notice required in paragraph (ii) of this section is provided; and

D. At the time of the new offering deadline, the issuer continues to meet or exceed the target offering amount.

Section 27. Cancellations and Reconfirmations Based in Material Changes – If there are changes to material information, as set forth in the *2015 SRC IRR Rule 14.1*, to the terms of an offering or to the information provided by the issuer, the intermediary shall give or send to any investor who has made an investment commitment notice of the material change and that the investor's investment commitment will be cancelled unless the investor reconfirms his or her investment commitment within five (5) business days from receipt of the notice. If the investor fails to reconfirm his or her investment within those five business days, the intermediary within five business days thereafter shall:

A. Give or send the investor a notification disclosing that the commitment was cancelled, the reason for the cancellation and the refund amount that the investor is expected to receive; and

B. Direct the refund of investor funds.

If material changes to the offering or to the information provided by the issuer regarding the offering occur within five business days of the maximum number of days that an offering is to remain open, the offering shall be extended to allow for a period of five business days for the investor to reconfirm his or her investment.

Section 28. Return of Funds If Offering is Not Completed – If an issuer does not complete an offering, an intermediary shall within five business days:

A. Give or send each investor a notification of the cancellation, disclosing the reason for the cancellation, and the refund amount that the investor is expected to receive;

B. Direct the refund of investor funds; and

C. Prevent investors from making investment commitments with respect to that offering on its platform.

CHAPTER EIGHT: Payments to Third Parties

Section 29. Prohibition on Payments for Sensitive Personal Information – An intermediary may not compensate any person for providing the intermediary with the sensitive personal information of any investor or potential investor in securities offered and sold in reliance on *these Rules*.

For purposes of this rule, sensitive personal information means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.

CHAPTER NINE: Permitted Activities for Intermediaries

Section 30. Permitted Activities – the following are permitted activities for crowdfunding intermediaries, consistent with the prohibitions under *Section 2(M) – Definition of Funding Portal*:

A. Determine whether and under what terms to allow an issuer to offer and sell securities in reliance on *these Rules* through its platform; *provided* that a funding portal otherwise complies with this section;

B. Apply objective criteria to highlight offerings on the funding portal's platform where:

   i. The criteria are (i) reasonably designed to highlight a broad selection of issuers offering securities through the funding portal's platform; (ii) applied consistently to all issuers and offerings; and (iii) clearly displayed on the funding portal's platform;

   ii. The criteria may include, among other things, the type of securities being offered (for example, common stock, preferred stock or debt securities); the geographic location of the issuer; the industry or business segment of the issuer; the number or amount of investment commitments made, progress in meeting the issuer's target offering amount or, if applicable, the maximum offering amount; and the minimum or maximum investment amount; *provided* that the funding portal may not highlight an issuer or offering based on the advisability of investing in the issuer or its offering; and

   iii. The funding portal does not receive special or additional compensations for highlighting one or more issuers or offerings on its platform;

C. Provide search functions or other tools that investors can use to search, sort, or categorize the offerings available through the funding portal's platform according to objective criteria where;

   i. The criteria may include, among other things, the type of securities being offered (for example, common stock, preferred stock or debt securities); the geographic location of the issuer; the industry or business segment of the issuer; the number or amount of investment commitments made, progress in meeting the issuer's target offering amount or, if applicable, the maximum offering amount; and the minimum or maximum investment amount; and

   ii. The criteria may not include, among other things, the advisability of investing in the issuer or its offering, or an assessment of any characteristic of the issuer, its business plan, its key management or risks associated with an investment;

D. Provide communication channels by which investors can communicate with one another and with representatives of the issuer through the funding portal's platform about offerings through the platform, so long as the funding portal:

   i. Does not participate in these communications, other than to establish guidelines for communication and remove abusive or potentially fraudulent communications;

   ii. Permits public access to view the discussions made in the communication channels;

   iii. Restricts posting of comments in the communication channels to those persons who have opened an account on its platform; and

iv. Requires that any person posting a comment in the communication channels clearly disclose with each posting whether he or she is a founder or an employee of an issuer engaging in promotional activities on behalf of the issuer, or is otherwise compensated, whether in the past or prospectively, to promote an issuer's offering;

E. Advise an issuer about the structure or content of the issuer's offering, including assisting the issuer in preparing offering documentation;

F. Compensate a third party for referring a person to the funding portal, so long as the third party does not provide the funding portal with sensitive personal information of any potential investor, and the compensation, other than that paid to a registered broker, is not based, directly or indirectly, on the purchase or sale of a security in reliance on *these Rules* offered on or through the funding portal's platform;

G. Pay or offer to pay any compensation to a registered broker for services, including referrals pursuant to paragraph (F) of this section, in connection with the offer or sale of securities by the funding portal in reliance on *these Rules*, *provided* that:

i. Such services are provided pursuant to a written agreement between the funding portal and the registered broker; and

ii. Such services and compensation are permitted under this part;

H. Receive any compensation from a registered broker for services provided by the funding portal in connection with the offer or sale of securities by the funding portal in reliance on *these Rules*, *provided* that:

i. Such services are provided pursuant to a written agreement between the funding portal and the registered broker; and

ii. Such compensation is permitted under this part;

I. Advertise the existence of the funding portal and identify one or more issuers or offerings available on the portal on the basis of objective criteria, as long as:

i. The criteria are reasonably designed to identify a broad selection of issuers offering securities through the funding portal's platform, and are applied consistently to all potential issuers and offerings;

ii. The criteria may include, among other things, the type of securities being offered (for example, common stock, preferred stock or debt securities); the geographic location of the issuer; the industry or business segment of the issuer; the expressed interest by investors, as measured by number or amount of investment commitments made, progress in meeting the issuer's target offering amount or, if applicable, the maximum offering amount; and the minimum or maximum investment amount; and

iii. The funding portal does not receive special or additional compensation for identifying the issuer or offering in this manner;

J. Deny access to its platform to, or cancel an offering of an issuer, pursuant to *Section 13 - Measures to Reduce Risk of Fraud*, if the funding portal has a reasonable basis for believing that the issuer or the offering presents the potential for fraud or otherwise raises concerns about investor protection;

K. Accept, on behalf of an issuer, an investment commitment for securities offered in reliance on *these Rules* by that issuer on the funding portal's platform;

L. Direct investors where to transmit funds or remit payment in connection with the purchase of securities offered and sold in reliance on *these Rules*; and

M. Direct the assigned bank, as required by *Section 23 –Maintenance and Transmission of Funds*, to release proceeds to an issuer upon completion of a crowdfunding offering or to return proceeds to investors in the event an investment commitment or an offering is cancelled.

Section 31. Disqualification of Intermediaries – Operation with respect to crowdfunding of investment houses, brokers and funding portal may be refused, or any registration granted may be revoked, suspended, or limitations placed thereon, by the Commission if, after due notice and hearing the Commission determines the application or registrant:

A. Has willfully violated any provision of *these Rules*, the *SRC and its rules*, any rule, regulation or order made hereunder, or any other law administered by the Commission, or in the case of a registered broker has failed to supervise, with a view to preventing such violation, another person who commits such violation;

B. Has willfully made or caused to be made a materially false or misleading statement in any application for registration or report filed with the Commission or a self-regulatory organization, or has willfully omitted to state any material fact that is required to be stated therein;

C. Has failed to satisfy the qualifications or requirements for registration prescribed under *Article Two of these Rules—Crowdfunding Intermediary Requirements*, and any related provisions in the *SRC and its rules*;

D. Has been convicted, by a competent judicial or administrative body of an offense involving moral turpitude, fraud, embezzlement, counterfeiting, theft, estafa, misappropriation, forgery, bribery, false oath, or perjury, or of a violation of securities, commodities, banking, real estate or insurance laws;

E. Is enjoined or restrained by a competent judicial or administrative body from engaging in securities, commodities, banking, real estate or insurance activities or from willfully violating laws governing such activities;

F. Is subject to an order of a competent judicial or administrative body refusing, revoking or suspending any registration, licensed or other permit under *these Rules*, the *SRC and its rules*, and any other law administered by the Commission;

G. Is subject to an order of a self-regulatory organization suspending or expelling him from membership or participating therein or from association with a member or participant thereof;

H. Has been found by a competent judicial or administrative body to have willfully violated any provisions of securities, commodities, banking, real estate or insurance laws, or has willfully aided, abetted, counseled, commanded, induced or procured such violation; or

I. Has been judicially declared insolvent.

Section 32. Forms for Intermediaries – Intermediaries shall use the following forms for application for registration, withdrawal of registration, annual report, and amendments:

A. FORM CF-I

Schedule A: Application for Registration	The registration will be effective the later of: (1) Thirty (30) calendar days after the date that the registration is received by the Commission; or (2) The date the application of the crowdfunding intermediary is approved by the Securities and Exchange Commission **Annex A1:** Application for Registration as Funding Portal – If crowdfunding intermediary is not a licensed broker or investment house, the crowdfunding intermediary shall register as a Funding portal.
Schedule B: Amendment to Application for Registration	A crowdfunding intermediary shall file an amendment to Form CF-I within 30 days of any of the information previously submitted on Form CF-I becoming inaccurate for any reason.
Schedule C: Withdrawal from Registration as crowdfunding intermediary	If a crowdfunding intermediary succeeds to and continues the business of a registered crowdfunding intermediary, the registration of the predecessor will remain effective as the registration of the successor if the successor, within 30 days after such succession, files a registration on Form CF-I and the predecessor files a withdrawal on Form CF-I; provided, however, that the registration of the predecessor funding portal will be deemed withdrawn 45 days after registration on Form CF-I is filed by the successor.

B. SEC FORM 17-A – An annual report on SEC Form 17-A for the fiscal year in which the registration statement was rendered effective by the Commission, and for each fiscal year thereafter, within one hundred five (105) calendar days after the end of the fiscal year.

Section 33. Registration Fee for Intermediaries – Upon the submission of application of registration as a Crowdfunding Intermediary, including the application of registration as a Funding Portal, the applicant shall pay an amount of Php50,000.00 plus a Legal Research Fee (LRF) of Php500.00 within such period as the Commission may fix.

ARTICLE THREE: FUNDING PORTAL REGULATION
CHAPTER ONE: Registration of Funding Portals

Section 34. Registration – No entity shall act as a funding portal unless it is registered as such. An applicant shall comply with the following requirements:

A. Shall be organized as a corporation and registered with the Commission;

B. Shall have paid-in capital of at least Php5,000,000, in addition to the requirements of *Section 12 - Expenditure- and Risk- Based Minimum Capital Requirement*;

C. Registration Statement (***Form CF-I Schedule A***) which would include information concerning:

   i. Funding portal's principal place of business;

   ii. Funding portal's legal status and disciplinary history, if any;

   iii. Business activities, including types of compensation the funding portal would receive;

   iv. Control affiliates of the funding portal and disclosure of their disciplinary history, if any; and

   v. Funding portal's website address(es) or other means of access.

D. Account Opening and Disclosure Rules

E. Business Conduct Rules

Section 35. Amendments of Registration – A funding portal shall file an amendment to ***Form CF-I Schedule B*** within 30 days of any of the information previously submitted on ***Form CF-I Schedule A*** becoming inaccurate for any reason.

Section 36. Withdrawal – A funding portal shall promptly file a withdrawal of previously approved funding portal registration on ***Form CF-I Schedule C*** in accordance with the instructions on the form upon ceasing to operate as a funding portal. Withdrawal will be effective on the later of 30 days after receipt by the Commission (after the funding portal is no longer operational), or within such longer period of time as to which the funding portal consents or which the Commission by order may determine as necessary or appropriate in the public interest or for the protection of investors.

Section 37. Nonresident Funding Portals – Registration pursuant to this section by a nonresident funding portal shall be conditioned upon there being an information sharing arrangement in place between the Commission and the competent regulator in the jurisdiction under the laws of which the nonresident funding portal is organized or where it has its principal place of business, that is applicable to the nonresident funding portal, **and is subject to reciprocity.**

CHAPTER TWO: Exemption

Section 38. Exemption from Broker Registration Requirements – A funding portal that is registered as such with the Commission pursuant to *these Rules* is exempt from the broker registration requirements of *Section 28 of the SRC* and its rules connection with its activities as a funding portal.

CHAPTER THREE: Conditional Safe Harbor

Section 39. Conditional Safe Harbor – Under *Section 2(M) Definition of Funding Portal*, a funding portal acting as an intermediary in a transaction involving the offer or sale of securities in reliance on *these Rules* may not:

A. Offer investment advice or recommendations;

B. Solicit purchases, sales, or offers to buy the securities offered or displayed on its platform or portal;

C. Compensate employees, agents, or other persons for such solicitation or based on the sale of securities displayed or referenced on its platform or portal;

D. Hold, manage, possess, or otherwise handle investor funds or securities.

This Chapter is intended to provide clarity with respect to the ability of a funding portal to engage in certain activities, consistent with the prohibitions under *Section 2(M) – Definition of Funding Portal*. No presumption shall arise that a funding portal has violated the prohibitions under *Section 2(M) Definition of Funding Portal* or this part by reason of the funding portal engaging in activities in connection with the offer or sale of securities in reliance on *these Rules* that do not meet the conditions specified under this section.

CHAPTER FOUR: Compliance

Section 40. Policies and Procedures – A funding portal shall implement written policies and procedures reasonably designed to achieve compliance with the requirements under *these Rules* relating to its business as a funding portal.

Section 41. Anti-Money Laundering – A funding portal shall comply with the requirements of the *Anti-Money Laundering Act* of 2001, as amended and *its Implementing Rules and Regulations.*

Section 42. Corporate Governance – A funding portal shall comply with the requirements of the *Revised Code of Corporate Governance* of 2009 and *its Implementing Rules and Regulations.*

Section 43. Confidentiality – A funding portal shall comply with the requirements of *2015 SRC IRR Rule 30.2.1.2.4.2* as they apply to brokers, as well as the Data Privacy Act of 2012.

Section 44. Inspections and Examinations – A funding portal shall permit the examination and inspection of all of its business and business operations that relate to its activities as a funding portal, such as its premises, systems, platforms, and records by representatives of the Commission.

ARTICLE FOUR: ISSUER REQUIREMENTS

CHAPTER ONE: Disclosure Requirements

Section 45. Disclosure Requirements – An issuer offering or selling securities under *these Rules* shall register **with an intermediary** and provide information enumerated below:

A. Name and other details of the intermediary;

B. Nature of its business, financial condition, historical reports of operation;

C. Business plan with respect to CF offering;

D. Risk factors of investing in its project;

E. Procedure on how to return funds if target offering is not met; and

F. Procedure to complete or cancel investment commitment

There shall only be one intermediary per offering of securities under *these Rules*.

CHAPTER TWO: Disqualification Provisions

Section 46. Disqualification of Issuer – *Article One Chapter Two - Exemption from Registration of Securities* shall not be available for issuer if the Commission finds:

A. The issuer:

i. Has been judicially declared insolvent;

ii. Has violated any of the provision of *these Rules*, and the *SRC and its rules*, or any order of the Commission of which the issuer has notice in connection with the offered securities;

iii. Has been or is engaged or is about to engage in fraudulent transactions;

iv. Has made any false or misleading representation of material facts in any disclosure concerning the issuer or its securities; or

v. Has failed to comply with any requirements that the Intermediary may impose as a condition for application of securities for crowdfunding.

B. The disclosure statement is on its face incomplete or inaccurate in any material respect or includes any untrue statements of a material fact required to be stated therein or necessary to make the statement therein not misleading.

C. The issuer, any officer, director or controlling person performing similar functions, or any underwriter has been convicted, by a competent judicial or administrative body, upon plea of guilty, or otherwise, of an offense involving moral turpitude and /or fraud or is enjoined or

restrained by the Intermediary, the Commission or other competent or administrative body for violations of securities, commodities, and other related laws.

D. The Intermediary and the Commission may compel the production of all the books and papers of such issuer, and may administer oaths to, and examine the officers of such the issuer or any other person connected therewith as to its business and affairs.

E. If any issuer shall refuse to permit an examination to be made by the Intermediary and/or the Commission, its refusal shall be ground for the refusal or revocation of the registration of its securities.

F. If the Intermediary and/or Commission deems it necessary, it may issue an order suspending the offer and sale of the securities pending any investigation. The order shall state the grounds for taking such action, but such order of suspension although binding upon the persons notified thereof, shall be deemed confidential, and shall not be published. Upon the issuance of the suspension order, no further offer or sale of such security shall be made until the same is lifted or set aside by the Intermediary and/or Commission. Otherwise, such sale shall be void.

G. Notice of issuance of such order shall be given to the issuer and every broker who shall have notified the Intermediary and/or Commission of an intention to sell such security.

H. A disclosure statement may be withdrawn by the issuer only with the consent of the Intermediary and/or the Commission.

For purposes of this subsection, the term "*competent judicial or administrative body*" shall include a foreign court of competent jurisdiction and a foreign financial regulator.

CHAPTER THREE: Prohibition on Advertising Terms of Offering

Section 47. Advertising – A notice may advertise any of the terms of an issuer's offering made if it directs investors to the intermediary's platform and includes no more than the following information:

A. A statement that the issuer is conducting an offering, the name of the intermediary through which the offering is being conducted and a link directing the potential investor to the intermediary's platform;

B. The terms of the offering; and

C. Factual information about the legal identity and business location of the issuer, limited to the name of the issuer of the security, the address, phone number and website of the issuer, the e-mail address of a representative of the issuer and a brief description of the business of the issuer.

Notwithstanding the prohibition on advertising any of the terms of the offering, an issuer, and persons acting on behalf of the issuer, may communicate with investors and potential investors about the terms of the offering through communication channels provided by the intermediary on the intermediary's platform, *provided* that an issuer identifies itself as the issuer in all communications.

Persons acting on behalf of the issuer shall identify their affiliation with the issuer in all communications on the intermediary's platform.

CHAPTER FOUR: Issuer Forms

Section 48. Issuer Form – Issuer shall use ***Form CF*** for offering, progress updates, termination of reporting, amendments, and annual report. Form CF may be used to file or to report any of the following. The Commission shall be furnished with a copy of the disclosures duly received by an Intermediary. The Intermediary shall also make available the disclosures provided by the Issuer on its Crowdfunding Platform.

A. FORM CF – Application as Issuer of crowdfunding securities shall be filed prior all other forms herein

Form CF-O: Offering Statement	This shall be filed before the commencement of the offering. An amendment filed prior to the effective date of the registration statement shall recommence the forty-five (45) day period within which the Intermediary shall act on a registration statement. An amendment filed after the effective date of the registration statement shall become effective only upon such date as determined by the Intermediary. For amendment, use Form CF/A.
Form CF-AR: Annual Report	This shall be filed not later than one hundred five (105) days after the end of the fiscal year. For amendments, use Form CF-AR/A.
Form CF-TR: Termination of Reporting	For issuers eligible to terminate its obligation to file annual reports, shall file within five business days from the date on which the issuer becomes eligible to terminate its reporting obligation, to advise investors that the issuer will cease reporting.
Form CF-U: Progress Update	An issuer shall file with the Intermediary and provide to investors Progress Update to disclose its progress in meeting the target offering amount no later than five (5) business days after each of the dates when the issuer reaches 50 percent and 100 percent of the target offering amount, and in case of changes to material information, as set forth in the *2015 SRC IRR Rule 14.1*. For detailed discussion, refer to *Article Five of these Rules*.

ARTICLE FIVE: REPORTS, RECORDKEEPING AND OTHER POST REGISTRATION/OPERATIONAL REQUIREMENTS

CHAPTER ONE: General Reporting Requirements

Section 49. Recordkeeping – Every Crowdfunding Intermediary and/or Issuer shall make, keep and preserve for such periods, records, furnish copies thereof, and make such reports, as the Commission by its rules and regulations may prescribe.

Section 50. Location of Records – All records required shall be kept at the principal place of business of the Intermediary and/or Issuer or such other principal office as shall be designated by the Intermediary or Issuer. If the principal place of business is outside the Philippines, then upon the request of the SEC, the Intermediary and/or Issuer shall provide such records as requested at the place in the Philippines within seventy-two (72) hours after receipt of the request.

Section 51. Submission of Yearly Reports – An Intermediary and/or Issuer shall file with the Commission and post on the intermediary's website an annual report along with Issuer disclosures and other Issuer submissions certified by the principal executive officer of the Issuer to be true and complete in all material respects and a description of the financial condition of the Issuer as described in *Article Four - Issuer Requirements*. A crowdfunding intermediary shall, at the end of each year, submit a report on all CF transactions in its crowdfunding platform.

Section 52. Examination of Records – All records held by an Intermediary and/or Issuer are subject at any time, or from time to time, to reasonable periodic, special, or other examination by the representatives of the Commission as the Commission may deem necessary or appropriate in the public interest or for the protection of investors. Every Intermediary and/or Issuer shall furnish promptly to the Commission true, correct, complete and current copies of such records of the Intermediary and/or Issuer that are requested by the representatives of the Commission.

CHAPTER TWO: Ongoing Reporting Requirements for Issuers

Section 53. Annual Report of Issuers – An issuer that has offered and sold securities under *these Rules* shall file with its intermediary and post on the issuer's website an annual report along with the financial statements of the issuer certified by the principal executive officer of the issuer to be true and complete in all material respects and a description of the financial condition of the issuer. If, however, an issuer has available financial statements that have either been reviewed or audited by a public accountant that is independent of the issuer, those financial statements shall be provided and the certification by the principal executive officer will not be required.

The annual report also shall include the Disclosure Requirements of *these Rules*. The report shall be filed using ***Form CF-AR*** and submitted to the Intermediary no later than 105 days after the end of the fiscal year covered by the report.

An issuer providing financial statements that are not audited or reviewed shall have its principal executive officer provide the following certification:

I, [identify the certifying individual], certify that the financial statements of [identify the issuer] included in this Form are true and complete in all material respects.

[Signature and Article].

Section 54. Progress Updates – The issuer shall make, keep and maintain the following reports and records which shall be submitted to or be open for inspection by the Intermediary and/or the Commission, as provided in this Chapter:

A. An issuer shall file with the Intermediary and provide to investors progress report using ***Form CF-U: Progress Update*** to disclose its development in achieving the target offering amount no later than five (5) business days after each of the dates when the issuer reaches 50 percent and 100 percent of the target offering amount, and in case of changes to material information, as set forth in the *2015 SRC IRR Rule 14.1*.

B. If the issuer will accept proceeds in excess of the target offering amount, the issuer shall file with the Intermediary and provide to investors, no later than five business days after the offering deadline, a final ***Form CF-O/A: Amendment to Statement of Offering*** to disclose the total amount of securities sold in the offering.

C. The requirements of paragraphs (A) and (B) of this section shall not apply to an issuer if the relevant intermediary makes publicly available on the intermediary's platform frequent updates regarding the progress of the issuer in meeting the target offering amount; however, the issuer shall still file a ***Form CF-O/A: Amendment to Statement of Offering*** to disclose the total amount of securities sold in the offering no later than five business days after the offering deadline.

CHAPTER THREE: Ongoing Reporting Requirements for Intermediaries

Section 55. Records to be Made and Kept by Intermediary – An intermediary shall make and preserve the following records for five years, the first two years in an easily accessible place:

A. All records related to an investor who purchases or attempts to purchase crowdfunding securities;

B. All issuer forms and disclosures submitted by issuers;

C. All other records related to issuers who offer and sell or attempt to offer and sell crowdfunding securities;

D. Records of all communications that occur on or through its platform;

E. All records related to persons that use communication channels provided by a funding portal to promote an issuer's securities or communicate with potential investors;

F. All records required of intermediary to demonstrate compliance with, in accordance with *these Rules*;

G. All notices provided by such intermediary to issuers and investors generally through the crowdfunding platform or otherwise, including, but not limited to, notices addressing hours of crowdfunding platform operations (if any), crowdfunding platform malfunctions, changes to crowdfunding platform procedures, maintenance of hardware and software, instructions pertaining to access to the crowdfunding platform and denials of, or limitations on, access to the crowdfunding platform;

H. All written agreements (or copies thereof) entered into by such funding portal relating to its business as such;

I. All daily, monthly and quarterly summaries of transactions effected through the funding portal, including:

   i. Issuers for which the target offering amount has been reached and funds distributed; and

   ii. Transaction volume, expressed in:

J. Number of transactions;

K. Number of securities involved in a transaction;

L. Total amounts raised by, and distributed to, issuers; and

M. Total dollar amounts raised across all issuers, expressed in U.S. dollars; and

N. A log reflecting the progress of each issuer who offers or sells securities through the funding portal toward meeting the target offering amount.

Section 56. Records of Crowdfunding Transactions – The intermediary shall make and keep all pertinent information on crowdfunding transactions including records of all oral and written communications provided or received concerning sales, resales, offers, cancellation, instructions, and prices, whether communicated by telephone, voicemail, facsimile, instant messaging, chat rooms, electronic mail, mobile device or other digital or electronic media. The record shall specifically include the following:

A. Reliable timing data for the initiation of the trade that would permit complete and accurate crowdfunding transactions;

B. A record of the date and time, to the nearest minute, using Philippine Standard Time, by timestamp or other timing device, for each crowdfunding transaction;

C. All terms of each CF, including all terms and information regarding payment or settlement instructions;

D. CF portal and/or broker and other CF participants shall make and keep record of each CF that it centrally clears, categorized by transaction and counterparty;

E. The name of the investor with which each CF was executed;

F. The price at which the CF was executed, in end of day Peso rate;

G. Fees or commissions and other expenses, identified by transaction;

H. A record of all oral and written communications provided or received concerning sale, resale, offers, prices, cancellation and other material changes whether communicated by electronic mail, portal's messaging, or other digital or electronic media;

I. All terms of each related cash or clearing transaction;

J. The price at which the related sale or resale transaction was executed;

K. Records of each transaction, including all documents on which CF transaction information is originally recorded. Such records shall be kept in a form and manner identifiable and searchable by transaction, and shall include all documents customarily generated in accordance with market practice that demonstrate the existence and nature of the CF transaction, including, but not limited to, records of all orders (filled, unfilled or cancelled), correspondence, journals, memoranda, ledgers, confirmation, risk disclosure documents, statement of purchase and sale, documents of Article, if applicable;

L. Records of each transaction executed on a funding portal or market cleared by bank/s maintained in compliance with SEC regulations;

M. A record of the any other relevant financial information relating to transactions in crowdfunding; and

N. Any other relevant information;

The records required to be maintained and preserved pursuant this Chapter shall be produced, reproduced, and maintained in the original, non-alterable format in which they were created.

The records required to be made and preserved pursuant to this Chapter may be prepared or maintained by a third party on behalf of an intermediary. An agreement with a third party shall not relieve an intermediary from the responsibility to prepare and maintain records as specified in this rule. A crowdfunding intermediary shall file with the Commission, a written undertaking, signed by a duly authorized person of the third party, stating in effect that such records are the property of the crowdfunding intermediary and will be surrendered promptly on request of the crowdfunding intermediary. The undertaking shall include the following provision:

> **With respect to any books and records maintained or preserved on behalf of *[name of CF intermediary]*, the undersigned hereby acknowledges that the books and records are the property of *[name of CF intermediary]*, and hereby undertakes to permit examination of such books and records at any time, or from time to time, during business hours by representatives of the Securities and Exchange Commission, and to promptly furnish to the Commission, a true, correct, complete and current hard copy of any, all, or any part of, such books and records.**

Section 57. Business Records – An intermediary shall keep full, complete and systematic records of all activities related to its business as an intermediary of crowdfunding, including, but not limited to, the following:

A. Matters pertaining to its governance;

B. Financial records;

C. Complaints; and

D. Marketing and sales materials

Section 58. End of Compliance – An issuer shall continue to comply with the ongoing reporting requirements until one of the following occurs:

A. The issuer or another party repurchases all of the securities issued in reliance with *these Rules*, including any payment in full of debt securities or any complete redemption of redeemable securities; or

B. The issuer liquidates or dissolves its business in accordance with applicable rules and regulations.

Section 59. Sanction and Penalties – If the Commission finds that there is a violation of any provision of *these Rules* or any applicable rules under the *SRC*, or that any person, in a registration statement or its supporting papers and the prospectus, as well as in the periodic reports required to be filed with the Commission has made any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to have made the statements therein not misleading or refused to permit any lawful examination into its corporate affairs, the Commission shall, in its discretion impose additional sanctions in addition to the existing sanctions and/or penalty fees approved and published by the Commission through its official publications such as the *SRC Section 54*, memorandum circulars, resolutions, website and other issuances.

The imposition of foregoing administrative sanctions shall be without prejudice to the filing of criminal charges against the individuals responsible for the violation in accordance with *Section 73 of the SRC*.

ARTICLE SIX: MISCELLANEOUS PROVISIONS

Section 60. Transitory Provision – Any person or corporation engaged in equity-based and/or lending-based crowdfunding prior to the effectivity of *these Rules* shall comply with the requirements under *Article Two – Crowdfunding Intermediary Requirements* within three (3) months upon the effectivity of *these Rules*.

Those who submit an application for registration in accordance with *Article Two – Crowdfunding Intermediary Requirements* of *these Rules* within three (3) months from effectivity of *these* Rules may continue its operations until the application has been approved, and in doing so, will not be regarded as carrying on crowdfunding activities in contravention with *these Rules.*

Section 61. Repealing Clause – All rules and regulations, circulars, orders, memoranda, or any part thereof and the rules and regulations previously promulgated by the Commission, in conflict with or contrary to *these Rules* are hereby repealed or modified accordingly.

Section 62. Separability Clause – If any portion or provision of *these Rules* is declared unconstitutional or invalid, the other portions of provisions thereof, which are not affected shall thereby continue in full force and effect.

Section 63. Effectivity – These rules shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation in the Philippines.

8 July 2019, Pasay City Philippines.

EMILIO B. AQUINO
Chairperson

Securities and Exchange Commission
Republic of the Philippines

SEC FORM CF
Forms for Issuer of Crowdfunding Securities

Check applicable box/es:

On the basis of the attached Statements and appendices and/or exhibits, the undersigned hereby:

- ☐ Applies as Issuer of Crowdfunding Securities (Form CF);
- ☐ Submits Statement of Offering (Form CF-O);
  - ☐ Amends Statement of Offering (Form CF-O/A);
- ☐ Submits Annual Report (Form CF-AR);
  - ☐ Amends Annual Report (Form CF-AR/A);
- ☐ Submits Progress Update (Form CF-U);
  - ☐ Amends Progress Update (Form CF-U/A)
- ☐ Submits Termination of Reporting (Form CF-TR);

General Instructions

1. These forms shall be used by Issuers of Crowdfunding Securities in accordance with SEC Crowdfunding Rules.
2. SEC Forms CF to Forms CF-TR and accompanying appendices or exhibits shall be filed with a registered Crowdfunding Intermediary.
3. An amendment to any of these forms shall be filed no later than seven (7) days from discovery of the inaccuracy. Amendments shall be filed using the amendment forms provided, and each amendment shall be numbered and dated in the order of filing.
4. Issuer shall use the forms provided, and add another page if necessary.
5. Appendices and/or exhibits shall be attached using A4 paper (8.27" x 11.69").
6. The Commission must be furnished with a copy of the disclosures duly received by an Intermediary. The Intermediary must also make available the disclosures provided by the Issuer on its Crowdfunding Platform.

SEC Form CF

Guidelines is Filling in SEC Form CF.
This part must be accomplished in reference with the SEC Crowdfunding Rules *Article Four Chapter One—Disclosure Requirements.*

Provide the following:

(a) The name, legal status (including its form of organization, incorporation), physical address, website of the issuer, industry or nature of project, nationality, and BIR Tax Identification Number;

(b) The names of the directors and officers including any person/s occupying a similar status or performing a similar function of the issuer, address, contact number and nationality, all positions and offices with the issuer held by such persons, the period of time in which such persons served in the position or office and their business experience during the past three years, including:

  (1) Each person's principal occupation and employment, including whether any officer is employed by another employer; and

  (2) The name and principal business of any corporation or other organization in which such occupation and employment took place.

(c) The name of each person, as of the most recent practicable date but no earlier than 120 days prior to the date the offering statement or report is filed, who is a beneficial owner of 10 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power, if applicable;

(d) A description of the business of the issuer and the business plan of the issuer with respect to the crowdfunding offerings;

(e) The current number of employees of the issuer;

(f) A discussion of the material factors that make an investment in the issuer speculative or risky;

(g) The target offering amount and the deadline to reach the target offering amount, including a statement that if the sum of the investment commitments does not equal or exceed the target offering amount at the offering deadline, no securities will be sold in the offering, investment commitments will be cancelled and committed funds will be returned;

(h) Whether the issuer will accept investments in excess of the target offering amount and, if so, the maximum amount that the issuer will accept and how oversubscriptions will be allocated, such as on a pro-rata, first come-first served, or other basis;

(i) A description of the purpose and intended use of the offering proceeds;

(j) A description of the process to complete the transaction or cancel an investment commitment, including a statement that:

  (1) Investors may cancel an investment commitment until 48 hours prior to the deadline identified in the issuer's offering materials;

  (2) The intermediary will notify investors when the target offering amount has been met;

  (3) If an issuer reaches the target offering amount prior to the deadline identified in its offering materials, it may close the offering early if it provides notice about the new offering deadline at least five business days prior to such new offering deadline (absent a material change that would require an extension of the offering and reconfirmation of the investment commitment); and

  (4) If an investor does not cancel an investment commitment before the 48-hour period prior to the offering deadline, the funds will be released to the issuer upon closing of the offering and the investor will receive securities in exchange for his or her investment;

(k) A statement that if an investor does not reconfirm his or her investment commitment after a material change is made to the offering, the investor's investment commitment will be cancelled and the committed funds will be returned;

(l) The price to the public of the securities or the method for determining the price, provided that, prior to any sale of securities, each investor shall be provided in writing the final price and all required disclosures;

(m) A description of the ownership and capital structure of the issuer, including:

(1) The terms of the securities being offered and each other class of security of the issuer, including the number of securities being offered and/or outstanding, whether or not such securities have voting rights, any limitations on such voting rights, how the terms of the securities being offered may be modified and a summary of the differences between such securities and each other class of security of the issuer, and how the rights of the securities being offered may be materially limited, diluted or qualified by the rights of any other class of security of the issuer;

(2) A description of how the exercise of rights held by the principal shareholders of the issuer could affect the purchasers of the securities being offered;

(3) The name and ownership level of each person, as of the most recent practicable date but no earlier than 120 days prior to the date the offering statement or report is filed, who is the beneficial owner of 10 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power;

(4) How the securities being offered are being valued, and examples of methods for how such securities may be valued by the issuer in the future, including during subsequent corporate actions;

(5) The risks to purchasers of the securities relating to minority ownership in the issuer and the risks associated with corporate actions including additional issuances of securities, issuer repurchases of securities, a sale of the issuer or of assets of the issuer or transactions with related parties; and

(6) A description of the restrictions on transfer of the securities;

(n) The name, SEC Registration Number of the CROWDFUNDING INTERMEDIARY[1] through which the offering will be conducted.

(o) A description of the CROWDFUNDING INTERMEDIARY's financial interests in the issuer's transaction and in the issuer, including:

(1) The amount of compensation to be paid to the intermediary, whether as a peso amount or a percentage of the offering amount, or a good faith estimate if the exact amount is not available at the time of the filing, for conducting the offering, including the amount of referral and any other fees associated with the offering, and

(2) Any other direct or indirect interest in the issuer held by the intermediary, or any arrangement for the intermediary to acquire such an interest;

(p) A description of the material terms of any indebtedness of the issuer, including the amount, interest rate, maturity date and any other material terms;

(q) A description of exempt offerings conducted within the past three years;

(r) A description of any transaction since the beginning of the issuer's last fiscal year, or any currently proposed transaction, to which the issuer was or is to be a party and the amount involved exceeds five (5) percent of the aggregate amount of capital raised by the issuer during the 12-month period, inclusive of the amount the issuer seeks to raise in the current offering, in which any of the following persons had or is to have a direct or indirect material interest:

(1) Any director or officer of the issuer;

(2) Any person who is, as of the most recent practicable date but no earlier than 120 days prior to the date the offering statement or report is filed, the beneficial owner of 10 percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power;

(3) If the issuer was incorporated or organized within the past three years, any promoter of the issuer; or

(4) Any member of the family of any of the foregoing persons, which includes a child, stepchild, grandchild, parent, stepparent, grandparent, spouse or spousal equivalent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and shall include adoptive relationships. The term spousal equivalent means a cohabitant occupying a relationship generally equivalent to that of a spouse.

(s) A discussion of the issuer's financial condition, including, to the extent material, liquidity, capital resources and historical results of operations;

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[1] Note that there shall only be one intermediary per crowdfunding project. Each Project shall undergo this filing process.

(t) If financial statements of the issuer are available that have either been reviewed or audited by a public accountant that is independent of the issuer, the issuer must provide those financial statements instead and need not include the information reported on the income tax returns or the certifications of the principal executive officer. For offerings that, together with all other amounts sold within the 12-month period, have, in the aggregate, the following target offering amounts:

(1) More than Ten Million Pesos (Php10,000,000.00), the amount of total income, taxable income and total tax, or the equivalent line items, as **reported on the income tax returns filed by the issuer** for the most recently completed year (if any), which **shall be certified by the principal executive officer** of the issuer to reflect accurately the information reported on the issuer's income tax returns, and financial statements of the issuer, which shall be certified by the principal executive officer of the issuer to be true and complete in all material respects;

(2) More than Fifty Thousand Pesos (Php50,000.00), but not more than Five Million Pesos (Php5,000,000.00), **financial statements** of the issuer **reviewed by a public accountant** that is independent of the issuer; and

(3) More than Five Million Pesos (Php5,000,000.00), **financial statements** of the issuer **audited by a public accountant** that is independent of the issuer; provided;

However, that **for issuers that have not previously sold securities**, offerings that have a target offering amount of more than Five Million Pesos (Php5,000,000.00), but not more than Ten Million Pesos (Php10,000,000.00), **financial statements** of the issuer **reviewed by a public accountant** that is independent of the issuer.

(u) Any matters that would have triggered disqualification. The failure to provide such disclosure shall not prevent an issuer from continuing to rely on exemption if the issuer establishes that it did not know and, in the exercise of reasonable care, could not have known of the existence of the undisclosed matter or matters;

(v) Updates regarding the progress of the issuer in meeting the target offering amount in accordance with *Article Five Chapter Two - Ongoing Reporting Requirements for Issuers*.

(w) Where on the issuer's or intermediary's website investors will be able to find the issuer's annual report, and the date by which such report will be available on the issuer's intermediary's website;

(x) Whether the issuer or any of its predecessors previously failed to comply with the *Article Five Chapter Two - Ongoing Reporting Requirements for Issuers*; and

(y) Attach any material information necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

SEC Form CF

Disclosure Requirements for Issuers of Crowdfunding Securities

Item 1. INFORMATION ON THE ISSUER

Check ✔ what applies: ☐ Single Proprietorship ☐ Cooperative ☐ Partnership ☐ Corporation ☐ Others_____	***Size:*** ☐ Micro *(Php3M and below)* ☐ Small *(Php3,000,001-Php15M)* ☐ Medium *(Php15,000,001-Php100M)* ☐ More than Php100M	☐ Registered at the municipality ☐ Registered at the DTI ☐ Registered at the SEC ☐ Registered at other agency _____	_____ *TIN* _____ *SEC Registration No.* _____ *DTI Registration No.*
Company Name:			
Total Number of Employees: _____			
For Single Proprietorship and Partnership:			
Last Name	First Name	Middle Name	☐ Single ☐ Married ☐ Separated
Last Name	First Name	Middle Name	☐ Single ☐ Married ☐ Separated
Physical Address of business: _____ *No. Street Barangay Municipality/City* _____ *Province Region Zip Code*		***Contact Details*** _____ *Area Code Telephone No.* _____ *Area Code Fax No.* _____ *Area Code Cellphone No.*	***Email:*** _____ ***Website:*** _____

Item 1.1 DIRECTORS AND OFFICERS

Full Name		*Current Position*	*Current Function*
Employment in the last three years	Year 1	Occupation/Position	Name of Former Office/Employer
	Year 2	Occupation/Position	Name of Former Office/Employer
	Year 3	Occupation/Position	Name of Former Office/Employer
Full Name		*Current Position*	*Current Function*
Employment in the last three years	Year 1	Occupation/Position	Name of Former Office/Employer
	Year 2	Occupation/Position	Name of Former Office/Employer
	Year 3	Occupation/Position	Name of Former Office/Employer
Full Name		*Current Position*	*Current Function*
Employment in the last three years	Year 1	Occupation/Position	Name of Former Office/Employer
	Year 2	Occupation/Position	Name of Former Office/Employer
	Year 3	Occupation/Position	Name of Former Office/Employer
Full Name		*Current Position*	*Current Function*
Employment in the last three years	Year 1	Occupation/Position	Name of Former Office/Employer
	Year 2	Occupation/Position	Name of Former Office/Employer
	Year 3	Occupation/Position	Name of Former Office/Employer

(Add sheet if needed)

Item 1.2 BENEFICIAL OWNERS OF 10% OR MORE*

Full Name	*Voting Power*	*Ownership*
1.		
2.		
3.		
4.		
5.		

*Read Guidelines on Disclosure Requirements-(c), (m-1), (r-1)

(Add sheet if needed)

Item 1.2(a) OWNERSHIP AND CAPITAL STRUCTURE OF THE ISSUER

DESCRIPTION OF OWNERSHIP AND CAPITAL STRUCTURE OF THE ISSUER:

Item 1.2(a-1) TERMS OF THE SECURITIES BEING OFFERED *[Guidelines on Disclosure Requirements-(m-1)]*

Item 1.2(a-2) HOW THE EXERCISE OF RIGHTS HELD BY THE PRINCIPAL SHAREHOLDERS COULD AFFECT THE PURCHASERS OF THE SECURITIES?

Item1.2(a-3) HOW THE SECURITIES BEING OFFERED ARE BEING VALUED *[Guidelines on Disclosure Requirements-(m-4)]*

Item1.2(a-4) RISK TO PURCHASERS OF THE SECURITIES RELATING TO MINORITY OWNERSHIP IN THE ISSUER AND THE RISKS ASSOCIATED WITH CORPORATE ACTIONS *[Guidelines on Disclosure Requirements-(m-5)]*

Item 1.2 (a-5) DESCRIPTION OF THE RESTRICTIONS ON TRANSFER OF THE SECURITIES;

Item 1.3. DIRECT OR INDIRECT MATERIAL INTEREST

Description of any transaction since the beginning of the issuer's last fiscal year, or any currently proposed transaction, to which the issuer was or is to be a party and the amount involved exceeds five (5) percent of the aggregate amount of capital raised by the issuer during the 12-month period, inclusive of the amount the issuer seeks to raise in the current offering, in which any of the following persons had or is to have a direct or indirect material interest (e.g. director or officer, beneficial owners, promoter, member of the family). *[Refer to Guidelines on Disclosure Requirements (r)]*

(Add sheet if needed)

Item 1.4 MATERIAL FACTORS MAKING AN INVESTMENT IN THE ISSUER RISKY OR SPECULATIVE

Discuss below the material factors that make an investment in the issuer speculative or risky.

(Add sheet if needed)

Item 2. BUSINESS PLAN

Describe nature of business
Describe business plan with respect to CF offering

Target Offering Amount: **Php**_____	Target Offering Deadline: **Php**_____

(Add sheet if needed)

Item 3. USE OF PROCEEDS

Provide below the purpose and intended use of the offering proceeds:

(Add sheet if needed)

Item 4.1 INVESTMENT COMMITMENTS LESS THAN TARGET OFFERING

English: If the sum of the investment commitments does not equal or exceed the target offering amount at the offering deadline, no securities will be sold in the offering, investment commitments will be canceled and committed funds will be returned.

Filipino version: Kapag ang kabuuang halaga ng investment funds na nakuha mula sa publiko ay hindi sakto o lumampas sa inaasahang offering amount sa nasabing deadline, hindi itutuloy ang proyekto, at ibabalik ng issuer ang investment funds sa kani-kaniyang tao na nag-invest.

Copy this statement here using your own handwriting either in Filipino or English version:

(Add sheet if needed)

Item 4.2 INVESTOR'S MATERIAL CHANGES

English: If an investor does not reconfirm his or her investment commitment after a material change is made to the offering, the investor's investment commitment will be cancelled and the committed funds will be returned.

Filipino: Kung ang imbestor ay hindi nagrekumpirma ng kanyang investment pagkatapos ng mahalagang pagbabago sa offering, ang naturang ininvest ay icacansela and ibabalik ng Issuer ang funds sa imbestor.

Item 4.3 WILL THE ISSUER ACCEPT INVESTMENTS IN EXCESS OF THE TARGET OFFERING AMOUNT? ☐ **YES** ☐ **NO**

If YES, what is the maximum amount the Issuer accepts and how oversubscriptions will be allocated, such as on a pro-rate, first come-first served, or other basis?

(Add sheet if needed)

Item 4.4 COMPLETING OR CANCELING INVESTMENT COMMITMENT

Provide process for the investors on how to complete or cancel an investment commitment:

Make sure to include the following:

- ✓ Investors may cancel an investment commitment until 48 hours prior to the deadline identified in the issuer's offering materials;
- ✓ The intermediary will notify investors when the target offering amount has been met;
- ✓ If an issuer reaches the target amount prior to the deadline identified in its offering materials, it may close the offering early if it provides notice about the new offering deadline at least five business days prior to such new offering deadline (absent a material change that would require an extension of the offering and reconfirmation of the investment commitment); and
- ✓ If an investor does not cancel an investment commitment before the 48-hour period prior to the offering deadline, the funds will be released to the issuer upon closing of the offering and the investor will receive securities in exchange for his or her investments;

Item 5. METHOD OF DETERMINING PRICE OF SECURITIES

Provide information to the public the price of the securities or the method for determining the price, provided that, prior to any sale of securities, each investor shall be provided in writing the final price and all required disclosures.

(Add sheet if needed)

Item 6. EXEMPT OFFERING IN THE PAST

Describe exempt offering conducted within the past three years:

(Add sheet if needed)

Item 7.1 INDEBTEDNESS OF THE ISSUER

Describe the material terms of any indebtedness of the issuer, including amount, interest rate, maturity date and any other material terms:

(Add sheet if needed)

Item 7.2. ISSUER'S LIQUIDITY, CAPITAL RESOURCES, HISTORICAL OPERATIONS

Discuss Issuer's financial condition, including, the extent material, liquidity, capital resources and historical results of operation.	
Liquidity:	*Capital Resources:*
Historical Operation:	*Others:*

(Add sheet if needed)

Item 8. INTERMEDIARY OF THE ISSUER FOR THIS CF PROJECT

Name of the Intermediary:	
SEC Registration Number of the Intermediary:	*Type:* ☐ Broker ☐ Investment House ☐ Funding Portal
Amount of compensation to be paid to the intermediary, whether as a peso amount or a percentage of the offering amount. [Refer to Guidelines (o)]	

(Attach another page if needed)

Form CF must be filed in connection to SEC Crowdfunding Rules. Before filing, potential issuer must refer to *Article One, Chapter Two - Exemption from Registration of Securities*; and *Article Four Chapter Two - Disqualification Provisions.*

DISQUALIFICATION PROVISIONS

(a) *Article One Chapter Two – Exemption from Registration of Securities* shall not be available for issuer if any predecessor of the issuer; any affiliated issuer; any director, officer, general partner or managing member of the issuer; any beneficial owner of twenty (10) percent or more of the issuer's outstanding voting equity securities, calculated on the basis of voting power; any promoter connected with the issuer in any capacity at the time of such sale; any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with such sale of securities; or any general partner, director, officer or managing member of any such solicitor:	
	State if applicable
(1) Has been convicted, within ten (10) years before the filing of the offering statement or five (5) years, in the case of issuers, their predecessors and affiliated issuers), of any felony or misdemeanor: ▪ In connection with the purchase or sale of any security; ▪ Involving the making of any false filing with the Commission; or ▪ Arising out of the conduct of the business of an underwriter, broker, dealer, investment house, funding portal or purchasers of securities;	
(2) Is subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before the filing of the information required that, at the time of such filing, restrains or enjoins such person from engaging or continuing to engage in any conduct or practice: ▪ In connection with the purchase or sale of any security; ▪ Involving the making of any false filing with the Commission; or ▪ Arising out of the conduct of the business of an underwriter, broker, dealer, investment house, funding portal or purchasers of securities;	
(3) Is subject to a final order of the Securities and Exchange Commission (SEC), Bangko Sentral ng Pilipinas (BSP), Insurance Commission (IC), and any other appropriate banking agency: ▪ At the time of the filing of the information required, bars the person from: • Association with an entity regulated by such regulatory agencies; • Engaging in the business of securities, insurance or banking; or • Engaging in savings association or credit union activities; or ▪ Constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative or deceptive conduct entered within ten years before such filing of the offering statement;	
(4) Is subject to an order of the Commission entered that, at the time of the filing of the information required: ▪ Suspends or revokes such person's registration as a broker, dealer, investment house or funding portal; or ▪ Places limitations on the activities, functions or operations of such person.	
(5) Is subject to any order of the Commission entered within five (5) years before the filing of the information required that, at the time of such filing, orders the person to cease and desist from committing or causing a violation or future violation of any anti-fraud provision of the SRC and its IRR;	
(6) Is suspended or expelled from membership in, or suspended or barred from association with a member of, a registered securities exchange or a registered national or affiliated securities association for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade;	
(7) Has filed (as an issuer), or was or was named as an underwriter in, any registration statement or offering statement filed with the Commission that, within five (5) years before the filing of the information required was the subject of a refusal order, stop order, or order suspending the any exemption, or is, at the time of such filing, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued; or	
(8) Is subject to a false representation order entered within five (5) years before the filing of the information required, or is, at the time of such filing, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by to constitute a scheme or device for obtaining money or property through the mail by means of false representations.	
(b) ***Crowdfunding Intermediaries*** - A person that is subject to above disqualifications may not act as, or be an associated person of, an intermediary in a transaction involving the offer or sale of securities unless so permitted pursuant to Commission rule or order.	

All information above are true and accurate as of this date,

_____ _____

Name of Applicant and Signature Date

STATEMENT OF REGISTRATION WITH (CROWDFUNDING INTERMEDIARY)

In accordance with SEC Crowdfunding Rules *Article One, Chapter Two—Exemption from Registration of Securities,* and after submissions of _____, the applicant as issuer of crowdfunding securities, may offer or sell the said securities, in reliance with these Rules, on (CROWDFUNDING INTERMEDIARY) platform, as the following provisions were satisfied:

- The issuer is a Filipino natural person/s or entity organized *[operating]* under the laws of the Republic of the Philippines;
- The aggregate amount of securities that can be offered and sold by issuer within a 12-month period shall not exceed Ten Million Pesos or Php50,000,000.00, provided that offering of securities with an aggregate value of above Ten Million Pesos or Php10,000,000.00 can only be offered and sold to investors with annual income of at least Two Million Pesos or Php2,000,000.00.;
- The aggregate amount of securities sold to any ordinary investor across all issuers during the 12-month period shall not exceed fifty thousand pesos (Php50,000) unless the investor signs a waiver of this investment limitation in accordance with *Article Four Section 19—Investor Qualification.*
- The transaction is conducted through an intermediary that complies with the requirements for intermediaries and the related requirements in this part, and the transaction is conducted exclusively through the intermediary's platform; and
- In accordance with *Section 3A*, for purposes of calculating aggregate amounts offered and sold, and determining whether an issuer has previously sold securities, issuer includes all entities controlled by or under common control with the issuer and any predecessors of the issuer.

Signed:

_____ _____

Specialist, (CROWDFUNDING INTERMEDIARY) *Date*

In accordance with the SEC Crowdfunding Rules and submissions of _____, this application as issuer of crowdfunding securities is hereby registered with (CROWDFUNDING INTERMEDIARY) for the period of this project's offering, until execution of project.

For this project, issuer is given Crowdfunding Number _____.

Certified:

_____ _____

Specialist, (CROWDFUNDING INTERMEDIARY) *Date*

SIGNATURES

Pursuant to the requirements of the SRC and the Crowdfunding Rules, this Form and/or its Amendment is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of _____on_____, 20__.

By:

_____	_____
Principal Executive Officer	Comptroller
_____	_____
Principal Operating Officer	Corporate Secretary
_____	_____
Principal Finance Officer	Principal Accounting Officer

SUBSCRIBED AND SWORN to before me this _____ day of _____ 20__ affiant(s) exhibiting to me his/their Residence Certificates, as follows:

NAMES /RES. CERT.NO.	DATE OF ISSUE	PLACE OF ISSUE
_____	_____	_____
_____	_____	_____
_____	_____	_____

_____
Notary Public

☐ **SEC Form CF-O**

☐ **SEC Form CF-O/A**

CF Number	Name of Issuer of CF Securities	BIR Tax Identification Number
Address of the Issuer* (including postal code	Industry or Nature of CF Project	Nationality
website	Email Address	
Telephone Number/s**	Cellphone Number**	Fax Number**

* If issuer is not resident in the Philippines, or its principal business is outside the Philippines, state name and address including postal code, telephone number and FAX number, including area code, and email address of resident agent in the Philippines.

**Include area code

CROWDFUNDING (CF) Securities to Offer

Proposed Maximum offering price per unit	Proposed Maximum aggregate offering price	Proposed Minimum Offering per investor	Proposed Offer Period

Attach Form CF in relation to this CF Project's Statement of Offering

SIGNATURES

Pursuant to the requirements of the SRC and the Crowdfunding Rules, this Form and/or its Amendment is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of _____on_____, 20__.

By:

_____	_____
Principal Executive Officer	Comptroller
_____	_____
Principal Operating Officer	Corporate Secretary
_____	_____
Principal Finance Officer	Principal Accounting Officer

SUBSCRIBED AND SWORN to before me this _____ day of _____ 200__ affiant(s) exhibiting to me his/their Residence Certificates, as follows:

NAMES /RES. CERT.NO.	DATE OF ISSUE	PLACE OF ISSUE
_____	_____	_____
_____	_____	_____
_____	_____	_____

_____
Notary Public

☐ **SEC Form CF-AR**

☐ **SEC Form CF-AR/A**

Annual Report

This form must be filed in accordance with the SEC Crowdfunding Rules *Article Five, Chapter Two – Ongoing Reporting Requirements for Issuers.*

Part A.

For Crowdfunding Project Period _____

CF Number	Name of Issuer of CF Securities	BIR Tax Identification Number
Address of the Issuer* (including postal code	Industry or Nature of CF Project	Nationality
website	Email Address	
Telephone Number/s**	Cellphone Number**	Fax Number**

* If issuer is not resident in the Philippines, or its principal business is outside the Philippines, state name and address including postal code, telephone number and FAX number, including area code, and email address of resident agent in the Philippines.

**Include area code

Part B.

Securities registered pursuant to Title Two of the SEC Crowdfunding Rules

Actual Maximum offering price per unit	Total Unit Securities Offered	Total Amount of Securities Offered *(Total units x Price per unit)*	Offer Period
Completed Target Offer (Percent)	Period when target offer was completed	Any extension in offer period? If yes, indicate.	

Part C.

1) Annual report must include the Disclosure Requirements of this Rules (Form CF).
2) Append discussion on deviation to plans compared with actual execution, and plan of the issuer to improve its operations.
3) Append Financial Statements reviewed or audited by a public accountant that is independent of the issuer.
    a. Include all changes in disagreements with accountants on accounting and financial disclosure, if any.
4) Include compensation and/or benefit package for officers, and intermediary
5) Include url or online address where the annual report is posted in issuer's website.
6) The report must be filed using **Form CF-AR** and submitted to the Commission no later than 105 days after the end of the fiscal year covered by the report.

SIGNATURES

Pursuant to the requirements of the SRC and the Crowdfunding Rules, this Form and/or its Amendment is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of _____on_____, 20__.

By:

_____	_____
Principal Executive Officer	Comptroller
_____	_____
Principal Operating Officer	Corporate Secretary
_____	_____
Principal Finance Officer	Principal Accounting Officer

SUBSCRIBED AND SWORN to before me this _____ day of _____ 20__ affiant(s) exhibiting to me his/their Residence Certificates, as follows:

NAMES /RES. CERT.NO.	DATE OF ISSUE	PLACE OF ISSUE
_____	_____	_____
_____	_____	_____
_____	_____	_____

_____

Notary Public

☐ **SEC Form CF-U**

☐ **SEC Form CF-U/A**

Progress Update

(1) This Form shall be used to report material changes specified in SRC Rule 14 or any of the events specified in all items hereof within five (5) days after the occurrence of the event.

(2) This Form is a guide to report material changes, and should not be considered a blank form to be filled in. Actual update must be written in separate sheet.

(3) File two (2) complete copies of this Form, attach the Form or appendix being updated if applicable.

(4) In accordance with the provisions of SRC Rule 12-2, if the issuer makes available to its stockholders or otherwise publishes within the period prescribed for filing the report, a press release or other document or statement containing information meeting some or all of the requirements of this Form, the information called for may be incorporated by reference to such published document or statement in answer or partial answer to any item or items of this Form, provided copies thereof are filed as an exhibit to the report on this Form.

For Crowdfunding Project Period _____

CF Number	Name of Issuer of CF Securities	BIR Tax Identification Number
Address of the Issuer* (including postal code	Industry or Nature of CF Project	Nationality
website	Email Address	
Telephone Number/s**	Cellphone Number**	Fax Number**

* If issuer is not resident in the Philippines, or its principal business is outside the Philippines, state name and address including postal code, telephone number and FAX number, including area code, and email address of resident agent in the Philippines.

**Include area code

The Issuer provides update/s for:

☐ **Form CF**
☐ **Form CF-O**
☐ **Form CF-AR**
☐ **Form CF-U**
☐ **Form CF-TR**
☐ **Any of the Items in Annex A**
Specify Item Number/s _____

ANNEX A

Item 1. Changes in Control of Issuer

(a) If, to the knowledge of management, a change in control of the issuer has occurred, state the name of the person(s) who acquired such control; the amount and the source of the consideration used by such person(s); the basis of the control; the date and a description of the transaction(s) which resulted in the change in control; the percentage and actual number of shares of voting securities of the issuer now beneficially owned directly or indirectly by the person(s) who acquired control; and the identity of the person(s) from whom control was assumed.

(b) If the source of all or any part of the consideration used is a loan made in the ordinary course of business by a bank, the identity of the bank may be omitted. In lieu thereof, the material shall indicate that disclosure of the identity of the bank has been omitted and filed separately with the Commission.

(c) The terms of any loans or pledges obtained by the new control group for the purpose of acquiring control, and the names of the lenders or pledgees shall be stated. Any arrangement or understanding among members of both the former and new control groups and their associates with respect to election of directors or other matters shall be described.

(d) Describe any arrangement known to the issuer, including any pledge by any person of securities of the issuer or any of its parents, the operation of which may at a subsequent date result in a change in control of issuer.

Item 2. Acquisition or Disposition of Assets

(a) If the issuer or any of its majority-owned subsidiaries has acquired or disposed of a significant amount of assets or amounting to ten percent (10%) or more of the company's total assets, otherwise than in the ordinary course of business, furnish the following information:

(1) the date and manner of the acquisition or disposition and a brief description of the assets involved, the nature and amount of consideration given or received therefor, the principle followed in determining the amount of such consideration, the identity of the person(s) from whom the assets were acquired or to whom they were sold and the nature of any material relationship between such person(s) and the issuer or any of its affiliates, any director or officer of the issuer, or any associate of any such director or officer. If the transaction being reported is an acquisition, identify the source(s) of the funds used unless all or any part of the consideration used is a loan made in the ordinary course of business by a bank in which case the identity of such bank may be omitted. In lieu thereof, the material shall indicate that the identity of the bank has been omitted and filed separately with the Commission.

(2) If any asset so acquired by the issuer or its subsidiaries constituted plant, equipment or other physical property, state the nature of the business in which the assets were used by the persons from whom acquired and whether the issuer intends to continue such use or intends to devote the assets to other purposes, indicating such other purposes;

Provided, however, that no information need be given as to:

(A) any transaction between any person and any wholly-owned subsidiary of such person;

(B) any transaction between two or more wholly-owned subsidiaries of any person; or

(C) the redemption or other acquisition of securities from the public, or the sale or other disposition of securities to the public, by the issuer of such securities.

(b) For purposes of this item, the term "acquisition" shall include every purchase, acquisition by lease, exchange, merger, consolidation, succession or other acquisition; provided that such term does not include the construction or development of property by or for the issuer or its subsidiaries or the acquisition of materials for such purpose.

(c) For purposes of this item, the term "disposition" shall include every sale, disposition by lease, exchange, merger, consolidation, mortgage, or hypothecation of assets, assignment, whether for the benefit of creditors or otherwise, abandonment, destruction, or other disposition.

(d) For purposes of this item, an "acquisition" or "disposition" shall be deemed to involve a significant amount of assets:

(1) if the issuer's and its other subsidiaries' equity in the net book value of such assets or the amount paid or received therefor upon such acquisition or disposition exceeded ten percent (10%) of the total assets of the issuer and its consolidated subsidiaries, or

(2) if it involved a business which is significant as defined in "Annex B".

(e) Where assets are acquired or disposed of through the acquisition or disposition of control of a person, the person from whom such control was acquired or to whom it was disposed of shall be deemed the person from whom the assets were acquired or to whom they were disposed, for the purposes of this item. Where such control was acquired from or disposed of to not more than five persons, their names shall be given; otherwise it will suffice to identify in an appropriate manner the class of such persons.

(f) Attention is directed to the requirements in Item 10 of this Form with respect to the filing of:

(1) financial statements for businesses acquired;
(2) pro forma financial information; and
(3) copies of the plans of acquisition or disposition as exhibits to the report.

(g) The information called for by this Item is to be given as to each transaction or series of related transactions of the size indicated. The acquisition or disposition of securities shall be deemed the indirect acquisition or disposition of the assets represented by such securities if it results in the acquisition or disposition of control of such assets.

Item 3. Changes in Issuer's Certifying Accountant

(a) Resignation or Dismissal

If an independent accountant who was previously engaged as the principal accountant to audit the issuer's financial statements, or an independent accountant of a significant subsidiary as defined in "Annex B" resigns (or indicates it declines to stand for re-election after the completion of the current audit) or is dismissed, disclose the reason thereof and provide the information required by Part III, Paragraph (B) of "Annex C".

(b) Appointment of New Independent Accountant

If a new independent accountant has been engaged as either the principal accountant to audit the issuer's financial statements or as an independent accountant on whom the principal accountant has expressed, or is expected to express, reliance in its report regarding a significant subsidiary, identify the newly engaged accountant and indicate the date of the accountant's engagement.

****

Explanation. The resignation or dismissal of an independent accountant, or its declination to stand for re-election, is a reportable event separate from the engagement of a new independent accountant.

Item 4. Resignation, Removal or Election of Registrant's Directors or Officers

(a) Resignation or Removal

(i) Disclose the name of any director or officer who has ceased to hold office, the date of any such cessation, the office held by any such person and the reason/s for such cessation. If a director has been removed by issuer for cause, it shall provide a discussion of the reason for the removal.

(ii) If a director has resigned or declined to be re-elected to the board of directors since the date of the last annual meeting of shareholders because of a disagreement with the issuer on any matter relating to the issuer's operations, policies or practices, and if the director has furnished the issuer with a letter describing such disagreement and requesting that the matter be disclosed, the issuer shall state the date of such resignation or declination to stand for re-election and summarize the director's description of the disagreement. In such a case, the issuer shall file a copy of the director's letter as an exhibit to Form CF-U.

If the issuer believes that the description provided by the director is incorrect or incomplete, it may include a brief statement presenting its views on the disagreement.

(b) Election or appointment

(i) If a director or officer who has died, resigned or been removed has been replaced by the issuer or elected at any meeting of the shareholders, it shall state the name of the appointee or electee, the office to be held by such person, the date of such appointment or election including the qualification and business experience for the past five years of such person.

(ii) If any director or officer is appointed or elected at any meeting of the shareholders or otherwise, then state the name, office, and date of such appointment or election.

(c) Where a director is identified, either in pars. (a) or (b) above, disclose whether such person is an "independent director" under Section 38 of the Code and SRC Rule 38.1 thereunder. Indicate if a director or officer died.

(d) Reporting under this Item 4 is deemed to satisfy the reporting requirements set forth in Section 26 of the Corporation Code of the Philippines and any rules thereunder.

Item 5. Legal Proceedings

Describe briefly any material pending legal proceedings to which the registrant or any of its subsidiaries or affiliates is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities or any other entity.

A proceeding that primarily involves a claim for damages does not need to be described if the amount involved, exclusive of interest and costs, does not exceed 10% of the current assets of the registrant.

Item 6. Changes in Securities

(a) If the constituent instruments defining the rights of the holders of any class of registered securities have been materially modified, give the title of the class of securities involved and state briefly the general effect of such modification upon the rights of holders of such securities.

(b) If the rights evidenced by any class of registered securities have been materially limited or qualified by the issuance or modification of any other class of securities, state briefly the general effect of the

issuance or modification of such other class of securities upon the rights of the holders of the registered securities.

Item 7. Defaults Upon Senior Securities

(a) If there has been any material default in the payment of principal, interest, a sinking or purchase fund installment, or any other material default not cured within thirty (30) days, with respect to any indebtedness of the issuer or any of its significant subsidiaries exceeding five (5%) percent of the total assets of the issuer and its consolidated subsidiaries, identify the indebtedness and state the nature of the default. In the case of such a default in the payment of principal, interest, or a sinking or purchase fund installment, state the amount of the default and the total arrearage on the date of filing this report. Only events which have become defaults under the governing instruments, i.e., after the expiration of any period of grace and compliance with any notice requirements, need be reported hereunder.

(b) If any material arrearage in the payment of dividends has occurred or if there has been any other material delinquency not cured within thirty (30) days, with respect to any class of preferred stock of the issuer which is registered or which ranks prior to any class of registered securities, or with respect to any class of preferred stock of any significant subsidiary of the issuer, give the title of the class and state the nature of the arrearage or delinquency. In the case of an arrearage in the payment of dividends, state the amount and the total arrearage on the date of filing this report.

(c) Defaults or arrearages with respect to any class of securities all of which is held by, or for the account of, the issuer or its totally held subsidiaries, need not be reported pursuant to this Item.

(d) Disclose the how long will the defaults occur and the sources of funds for payment thereof.

(e) The terms of the plan of payment or of any restructuring agreement shall be disclosed in the current report.

Item 8. Change in Fiscal Year

If the issuer determines to change its fiscal year from that used in its most recent filing with the Commission, state the date such determination was made, the period of the new fiscal year and the period from which the fiscal year was changed.

Item 9. Other Events

(a) The issuer shall report every fact or event that occurs which would reasonably be expected to materially affect the decision of investors to buy, to sell or to hold securities. To the extent not covered above, the following are illustrative of the types of events required to be reported under this Item. This list is only indicative and will not relieve anyone of the obligation to inform the public, the exchange and the Commission of every other act which may reasonably be considered to materially affect the issuer's securities or investors' decisions in respect thereto.

1) changes in the issuer's corporate purpose and any material alteration in the issuer's activities or operations or the initiation of new ones;

2) resignation or removal of officers or senior management and their replacements;

3) any decision taken to carry out extraordinary investments or the entering into financial or commercial transactions that might have a material impact on the issuer's situation;

4) losses of a significant part of the issuer's net worth;

5) occurrence of any event of dissolution with details in respect thereto;

6) acts and facts of any nature that might seriously obstruct the development of corporate activities, specifying its implications on the issuer's business;

7) any licensing or franchising agreement or its cancellation which may materially affect the issuer's operations;

8) any delay in the payment of debentures, negotiable obligations, bonds or any other publicly traded security;

9) creation of mortgages or pledges on assets when they exceed a significant part of the issuer's net worth;

10) any purchase or sale of stock or convertible debt securities of other companies when the amount exceeds a significant part of the issuer's or purchaser's net worth;

11) contracts of any nature that might limit the distribution of profits with copies thereof;

12) postponement of stockholders' meeting according to the by-laws or as previously scheduled;

13) declaration of any kind of dividend;

14) change in business address or location of principal plant;

15) facts of any nature that materially affect or might materially affect the economic, financial or equity situation of those companies controlling, or controlled by the issuer including the sale of or the constitution of sureties/pledges on an important part of such issuer's assets;

16) authorization, suspension, retirement or cancellation of the listing of the issuer's securities on an exchange or organized over-the-counter electronic marketplace domestically or abroad;

17) fines of more than P 50,000 and/or other penalties to the issuer or to its subsidiaries by regulatory authorities and the reasons therefore;

18) merger, consolidation or spin-off of the issuer;

19) Entry into or termination of a material agreement not made in the ordinary course of business;

20) Termination or reduction of a business relationship with a customer that constitutes a significant amount of the company's resources;

21) Events triggering a direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;

22) Material modifications to rights of holders of the company's securities;

23) Grant of the subscription rights to new shares as stock options;

24) Credits of subsidiary become likely to be in default;

25) Material conditional provisions in any agreement concerning ownership or control;

26) Changes in a material contract which may have financial, technological or administrative impact on the company;

27) Renegotiations or restructuring of debts;

28) Modification of disclosed projects by the company;

29) Any restructuring of the company's equity which has been approved by the Board of Directors;

30) similar transactions as items 3, 10 and 18, entered into by any director, officer or substantial stockholder of the issuer as a representative of a group of companies in which the issuer is a member thereof.

For purposes of this item, term "group of companies" shall refer to various companies which are owned or controlled by a person who directly, or indirectly through one or more persons or intermediaries, controls, or is controlled by, or is under common control with, the person specified, or whose three or more directors, officers or substantial stockholders are the same persons.

(b) With respect to information which is not otherwise called for by this Form, the issuer may, at its option, also report under this item any events that the issuer deem important to security holders.

Item 10. Fraud and Error

(a) The issuer shall describe any of the following findings by its external auditor during the conduct of audit for the company's recently completed fiscal year, and determined in accordance with generally accepted auditing standards.

1. Any material finding/s involving fraud or error, as defined under paragraph (b) hereof;

2. Losses or potential losses the aggregate of which amounts to at least ten percent (10%) of the consolidated total assets of the company;

3. Any finding to the effect that the consolidated assets of the company, on a going concern basis, are no longer adequate to cover the total claims of creditors.

(b) For purposes of this item, the following shall have the following meaning:

Fraud means an act proven intentional, by one or more individuals among management, employees, or third parties that results in a misrepresentation of financial statements, which will reduce the consolidated total assets of the company by at least five percent (5%). It may involve:

i. Manipulation, falsification or alteration of records or documents.
ii. Misappropriation or diversion of assets.
iii. Suppression or omission of the effects of transactions from records or documents.
iv. Recording of transactions without substance.
v. Misapplication of accounting policies.

Error means an unintentional mistake in financial statements, which will reduce the consolidated total assets of the company by five percent (5%). It may involve:

i. Mathematical or clerical mistakes in the underlying records and accounting data.
ii. Oversight or misinterpretation of facts.
iii. Misapplication of accounting policies.

Item 11. Financial Statements and Exhibits

Listed below are the financial statements, pro forma financial information and exhibits, if any, to be filed as part of this report.

(a) Financial statements of businesses acquired.

NOTE: The Commission may require, depending upon the relative size of the business to be acquired to the size of the issuer, that financial statements of the business to be acquired be audited for as much as three years. If it has been deemed impractical to complete an audit of the business to be acquired, this filing should include a letter from an auditor explaining the work that has been done to determine whether an audit could be completed. The letter also should explain briefly the basis for the conclusion that it is not practical to complete an audit (e.g. the acquired business did not maintain inventory records and it is not practicable to do any alternative auditing steps that would establish inventory values at financial statement dates and costs of sales for periods of time covered by income statements.)

(1) If it is impracticable to provide the required financial statements for an acquired business at the time the report on SEC Form CF-U is filed, the issuer should:

(A) so indicate in the SEC Form CF-U report;

(B) file such required financial statements as are available;

(C) state when the required financial statements will be filed; and

(D) file the required financial statements for an acquired business as an amendment to this Form as soon as practicable, but not later than sixty (60) days after the report on Form CF-U has been filed. In such circumstances, the issuer may, at its option, include unaudited financial statements in the initial report on Form CF-U. Requests for additional extensions of time will not be considered.

(b) Pro forma financial information.

(c) Exhibits.

SIGNATURES

Pursuant to the requirements of the SRC and the Crowdfunding Rules, this Form and/or its Amendment is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of _____on_____, 20__.

By:

_____	_____
Principal Executive Officer	Comptroller
_____	_____
Principal Operating Officer	Corporate Secretary
_____	_____
Principal Finance Officer	Principal Accounting Officer

SUBSCRIBED AND SWORN to before me this _____ day of _____ 20__ affiant(s) exhibiting to me his/their Residence Certificates, as follows:

NAMES /RES. CERT.NO.	DATE OF ISSUE	PLACE OF ISSUE
_____	_____	_____
_____	_____	_____
_____	_____	_____

_____

Notary Public

SEC Form CF-TR

Termination of Reporting Obligation as Issuer of Crowdfunding Securities

Issuers eligible to terminate its obligation to file annual reports, must file within five business days from the date on which the issuer becomes eligible to terminate its reporting obligation, to advise investors that the issuer will cease reporting. (SEC CF Rules, Sec. 46)

In accordance with SEC CF Rules Sec. 55, the following are conditions for issuers to be eligible to terminate its obligation:

(1) The issuer or another party repurchases all of the securities issued in reliance with this Rules, including any payment in full of debt securities or any complete redemption of redeemable securities; or
(2) The issuer liquidates or dissolves its business in accordance with state law.

CF Number	**TIN**	**Date of Termination**
Official Address, including postal code	**Official Contact Number/s (Landline, Cellphone, Fax, including area code)**	**Official Email** **Official Website**
List Names of Issuer and Officers		
Name	**Address**	**Contact Number** **Email**
Name	**Address**	**Contact Number** **Email**
Name	**Address**	**Contact Number** **Email**
Name	**Address**	**Contact Number** **Email**
Name	**Address**	**Contact Number** **Email**

REASON FOR TERMINATION: (Check one) **Provide an Explanation*

☐ **Voluntary** ☐ ***CF Rule Sec.55(A)*** ☐ **CF Rule Sec.55(B)*** ☐ **Other***

_____

_____

_____

VERIFY THE ACCURACY AND COMPLETENESS OF THE INFORMATION CONTAINED IN AND ATTACHED TO THIS FORM

_____ / _____ / _____
MONTH **DAY** **YEAR**

_____
SIGNATURE OF APPROPRIATE SIGNATORY

Reviewed by:

_____
TYPE NAME OF APPROPRIATE SIGNATORY

SIGNATURES

Pursuant to the requirements of the SRC and the Crowdfunding Rules, this Form and/or its Amendment is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of _____on_____, 20__.

By:

_____ Principal Executive Officer	_____ Comptroller
_____ Principal Operating Officer	_____ Corporate Secretary
_____ Principal Finance Officer	_____ Principal Accounting Officer

SUBSCRIBED AND SWORN to before me this _____ day of _____ 20__ affiant(s) exhibiting to me his/their Residence Certificates, as follows:

NAMES /RES. CERT.NO.	**DATE OF ISSUE**	**PLACE OF ISSUE**
_____	_____	_____
_____	_____	_____
_____	_____	_____

_____
Notary Public

Securities and Exchange Commission

SEC Form CF-I

Schedule A: Application for Registration as Crowdfunding Intermediary
Annex A1: Application for Registration as Funding Portal
Schedule B: Amendment to SEC Form CF-A
Schedule C: Withdrawal of Registration as Crowdfunding Intermediary

Check applicable box/es:

On the basis of the attached Statements and Exhibits, the undersigned hereby:

☐ applies for registration as a Crowdfunding Intermediary under SEC Memorandum Circular No. __ - Rules and Regulations Governing Crowdfunding; or

☐ submits an amendment to SEC Form CF; or

☐ withdraws its registration as a Crowdfunding Intermediary under SEC Memorandum Circular No. ___ - Rules and Regulations Governing Crowdfunding

The undersigned is:

☐ a licensed broker pursuant to the requirements of Section 28 of the SRC;

☐ a licensed investment house under the Investment Houses Law and its IRR; or

☐ a registered funding portal/ an applicant to be a registered funding portal in accordance with Section 30 of SEC Memorandum Circular No. ____

Instructions for SEC Forms CF-I Schedule A, B, and C

1. SEC Forms CF-I (Crowdfunding Intermediary) and the accompanying Statements and Exhibits shall be filed in triplicate, each of which shall be signed and attested by duly authorized official/s of the Crowdfunding Intermediary.

2. An amendment to SEC Form CF-I Schedule A shall be filed in duplicate on SEC CF-I Schedule B and each amendment shall be dated and numbered in order of filing. No later than seven (7) days after the discovery that any information in the Statement is no longer accurate, the Crowdfunding Intermediary shall file with the SEC an Amendment on SEC Form CF-I Schedule B correcting such inaccuracy; provided, however when the number of changes to be reported in an amendment, or the number of amendments are so great that the purpose or clarity of the disclosure will be promoted by the filing of a new complete Statement and Exhibits, a Crowdfunding Intermediary may, at its election, or shall, upon request of the SEC, file as an amendment a complete new Statement together with all exhibits which are prescribed to be filed with SEC Form CF-I.

3. A Crowdfunding Intermediary must file a withdrawal on SEC CF-I Schedule C promptly upon ceasing to operate as a Crowdfunding Intermediary. Withdrawal will be effective on the later of 30 days after receipt by the Commission, after the Crowdfunding Intermediary is no longer operational, or within such longer period of time as to which the funding portal consents or which the Commission by order may determine as necessary or appropriate in the public interest or for the protection of investors.

4. If Crowdfunding Intermediary is also applying for registration as funding portal, comply also with Annex A1.

5. A Crowdfunding Intermediary may use the printed Forms CF-I and Statement. If the space provided in the Statement for an answer to any item is insufficient, the answer may be typed on a separate insert page of pages which shall be incorporated by reference thereto in the space provided for in the item.

6. If the Crowdfunding Intermediary does not use the printed Forms CF-I and Statement, it shall type or print a complete Forms CF-I and Statement containing both the items in each and the answers thereto. Forms CF-I and Statement and the accompanying Statement and Exhibits shall be typed or printed on good quality A4-sized paper or letter-sized 8 ½ by 11 inches white paper and shall have a margin of at least 1 ½ inches on the left.

7. If the information called by an Exhibit is available in printed form, the printed material may be used provided it does not exceed A4-sized paper or 8 ½ by 11 inches in size.

8. If any item of the Statement is inapplicable, a statement to that effect shall be made following the item, provided however, that when filing an Amendment on SEC Form CF-I Schedule B, only the item in the Statement being amended needs to be included therein. If any Exhibit called for is inapplicable, a Statement to that effect shall be furnished in lieu of such Exhibit, provided, however, that when filing an amendment on SEC Form CF-I Schedule B, only Exhibits being amended need to be included therein.

9. All answers to items of the Statement shall be stated as briefly as completeness will permit, and may be expanded upon or qualified by reference to applicable pages, articles, sections or paragraphs of any Exhibit.

STATEMENT

Statement to be filed in connection with an application for registration as a Crowdfunding Intermediary under the Securities Regulation Code, and amendments thereto on SEC Forms CF-I Schedule A and CF-I Schedule B, respectively.[1]

1. State the exact name of the organization and describe the nature of its business;

2. State the address(es) and contact information of the organization;

[1] Any changes to the Statement or any Exhibit shall be filed as an amendment to SEC Form CF-A on SEC Form CF-B and shall consist of an executed cover page, items being amended, and copies of exhibits being amended along with amended language thereto.

3. (a) State the date of incorporation and SEC corporate registration number;

   (b) State the name of each organization which has been merged into, absorbed by, or consolidated with the subject organization, giving the date when each merger, absorption or consolidation occurred;

4. Name(s)/Website URL(s) under which business is conducted;

5. If a name and/or website URL in (1) and/or (4) has changed since the Crowdfunding Intermediary's most recent Form CF, enter the previous name and/or website URL and specify whether the name change is of the organization name (1), or name/website URL (4);

6. State the name, title, and contact information of the Lead Person;

7. State the name, branch, address, contact information, and compensation arrangement of the bank/s that has agreed in writing to hold and direct funds for the benefit of issuers and/or investors in relation to crowdfunding.

Statement to be filed in connection with a withdrawal of registration as a Crowdfunding Intermediary under the Securities Regulation Code, and amendments thereto on SEC Forms CF-I Schedule C.

1. State the exact name of organization and describe the nature of its business;

2. State the address(es) and contact information of the organization;

3. (a) State the date of incorporation and SEC corporate registration number;

   (b) State the name of each organization which has been merged into, absorbed by, or consolidated with the subject organization, giving the date when each merger, absorption or consolidation occurred;

4. Name(s)/Website URL(s) under which business is conducted;

5. If a name and/or website URL in (1) and/or (4) has changed since the Crowdfunding Intermediary's most recent Form CF, enter the previous name and/or website URL and specify whether the name change is of the organization name (1), or name/website URL (4);

6. State the name, title, and contact information of the Lead Person;

7. State the name, branch, address, contact information, and compensation arrangement of the bank/s that has agreed in writing to hold and direct funds for the benefit of issuers and/or investors in relation to crowdfunding.

8. State the date the Crowdfunding Intermediary ceased its business in relation to crowdfunding activities or withdrew its registration request.

9. (a) State the name, address, and contact information of entity where books and records are kept after Withdrawal of Registration;

(b) Indicate if the entity where books and records of the Crowdfunding Intermediary are kept after withdrawal is (i) branch offices or affiliates, (ii) a third-party unaffiliated record-keeper, or (iii) other;

(c) Indicate if address is a private residence;

(d) Brief description of books and records kept at indicated location;

EXHIBITS

Exhibits to be filed in connection with:

☐ **Registration as a Crowdfunding Intermediary under SEC Memorandum Circular No.___:**

Exhibit A. Board Resolution attesting to particulars in the application.

Exhibit B. Copy of proposed Crowdfunding Intermediary rules and operational framework to be submitted to SEC for approval pursuant to procedures set forth in the Code and IRR. Crowdfunding Intermediary Rules and operational framework should provide for the following items:

(1) Organization and governance;

(2) Qualification and rights of investors;

(3) Qualification and rights of issuers;

(4) Communication channels among participants/users;

(5) Ethical conduct of participants/users;

(6) Supervision and control of participants/users;

(7) Financial and operation responsibilities of participants/user;

(8) Discipline of participants/users, including a list of sanctions/fines for violative conduct;

(9) Identification and description of fair procedure for disciplining participants/users and the penal and/or schedule of sanctions;

(10) Identification and description of procedures (and systems to be used, if any) to prevent and/or detect fraudulent and manipulative acts and practices;

(11) Identification and description of procedures for appeal against the decision of the Crowdfunding Intermediary; and

(12) Procedure for resale of resale of CF securities, if the applicant is intending to provide for a secondary for CF securities.

Exhibit C. Detailed plan of operation. This should include the target participants/users.

Exhibit D. Comprehensive Information Technology Plan, to include among others, list and brief description of the following: software and hardware to be primarily used by the Crowdfunding Intermediary and their location; back-up system or sub-system and their location; security system and procedures to be employed; procedures to check sufficiency of system's capacity and expansion program, if necessary; and, IT system maintenance schedule.

Exhibit E. Original signed copy of written declaration by the Crowdfunding Intermediary's internal auditor or Lead Person confirming that the Crowdfunding Intermediary has, in relation to the crowdfunding:

(1) Sufficient human, financial and other resources to carry out operations;

(2) Adequate securities measures, systems capacity, business continuity plan and procedures, risk management, data integrity and confidentiality, record keeping and audit trail, for daily operations and to meet emergencies; and

(3) Sufficient IT and technical support arrangements.

Exhibit F. Business Continuity and Disaster Recovery Plan.

Exhibit G. Risk Management Manual and Internal Control Procedures.

Exhibit H. A complete set of all forms pertaining to: (1) application for issuers to raise funds through the Crowdfunding Intermediary's platform; (2) account opening for investors; and (3) making investment commitments for investors.

Exhibit I. Copy of all proposed educational materials of the Crowdfunding Intermediary.

Exhibit J. List and explanation of all dues, fees and charges for the Crowdfunding Intermediary's activities.

Exhibit K. The organizational chart of the Crowdfunding Intermediary, indicating filled and unfilled position and the identity of persons presently occupying the title or position. The Chart should be accompanied by the list of qualifications/requirements and Statement of Duties and Responsibilities for each position/item.

Exhibit L. Copy of the written agreement with the bank that has agreed to hold and direct the funds for the benefit of issuers and/or investors in relation to crowdfunding.

Exhibit M. Brief description as to any material pending legal proceeding affecting the applicant directly or to which any of its properties or assets, directors, or officers is part of the case.

Exhibit N. NBI Clearances of the Crowdfunding Intermediary president, board, chief executive, controller, and any other person who is primarily responsible for the operations of financial

management of the intermediary together with original signed copy of declaration by the president of the organization that the Crowdfunding Intermediary's board, chief executive, controller, and any other person who is primarily responsible for the operations of financial management of the body corporate, are fit and proper and have not:

(1) been convicted, whether within or outside the Philippines, of an offence involving fraud or other dishonesty or violence or the conviction of which involved a finding that he acted fraudulently or dishonestly;

(2) been convicted of an offence under the SRC or any law outside the Philippines relating to capital market;

(3) been subjected to any action taken by the Commission under the SRC;

(4) contravened any provision made by or under any written law whether within or outside the Philippines appearing to the Commission to be enacted for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice by persons concerned in the provision of financial services or the management of companies or against financial loss due to conduct of discharged or undischarged bankrupts;

(5) engaged in any business practices appearing to the Commission to be deceitful or oppressive or otherwise improper (whether unlawful or not) or which otherwise reflect discredit on its method of conducting business;

(6) engaged in or has been associated with any other business practices or otherwise conducted himself in such a way as to cast doubt on his competence and soundness of judgment; or

(7) engages in or has been associated with any conduct that cast doubt on his ability to act in the best interest of investors, having regard to his reputation, character, financial integrity and reliability;

☐ **Amendment to registration as a Crowdfunding Intermediary.** File changed pages/exhibits with a cover sheet indicating the Statement item/Exhibit number being amended and the date that such change became effective.

☐ **Withdrawal of Registration as a Crowdfunding Intermediary under SEC Memorandum Circular No.___:**

Exhibit A. Board Resolution attesting to particulars in the withdrawal.

Exhibit B. Particulars of any investigation, investor-initiated-complaint, and/or private civil litigation where the Crowdfunding Intermediary is subject of or named.

EXECUTION PAGE

THE APPLICANT MUST READ THE FOLLOWING VERY CAREFULLY.

1. I swear or affirm that I have read and understood the items and instructions on this Form and that my answers (including attachments) are true and complete to the best of my knowledge. I understand that I am subject to administrative, civil or criminal sanctions if I give false or misleading answers.

2. I swear or affirm that I have the power and authority to complete this Form, and sign this page, for and on behalf of my principal, and I have attached an evidence of such power. I further swear and affirm that said evidence attached hereto is genuine and authentic.

_____/_____/_____
Month Date Year

_____
Signature over Printed Name of the Chief Executive Officer

_____
Name of Applicant Organization

By_____
Name/Title

_____
Date

Subscribed and sworn to before me this _____ day of _____ 20__, affiant exhibiting to me his/her Identification/Passport No. _____ issued at _____ on _____.

Doc No._____;
Page No._____;
Book No._____;
Series of _____.

Annex A1: Application for Registration as Funding Portal

Instructions for SEC Form CF-I Annex A1

1. SEC Form CF-I Annex A1 (Funding Portal) and the accompanying Statements and Exhibits shall be filed in triplicate, each of which shall be signed and attested by duly authorized official/s of the Funding Portal.

2. A Funding Portal may use the printed Form CF-I Annex A1 and Statement. If the space provided in the Statement for an answer to any item is insufficient, the answer may be typed on a separate insert page of pages which shall be incorporated by reference thereto in the space provided for in the item.

3. If the Funding Portal does not use the printed Form CF-I Annex A1 and Statement, it shall type or print a complete Form CF-I Annex A1 and Statement containing both the items in each and the answers thereto. Form CF-I Annex A1 and Statement and the accompanying Statement and Exhibits shall be typed or printed on good quality A4-sized paper or letter-sized 8 ½ by 11 inches white paper and shall have a margin of at least 1 ½ inches on the left.

4. If the information called by an Exhibit is available in printed form, the printed material may be used provided it does not exceed A4-sized paper or 8 ½ by 11 inches in size.

5. If any item of the Statement is inapplicable, a statement to that effect shall be made following the item. If any Exhibit called for is inapplicable, a Statement to that effect shall be furnished in lieu of such Exhibit.

6. All answers to items of the Statement shall be stated as briefly as completeness will permit, and may be expanded upon or qualified by reference to applicable pages, articles, sections or paragraphs of any Exhibit.

STATEMENT

Statement to be filed in connection with an application for registration as a Funding Portal under the Securities Regulation Code on SEC Forms CF-I Annex A1.

1. State the exact name of the organization and describe the nature of its business;

2. State the Funding Portal's principal place of business;

3. State the Funding Portal's legal status and disciplinary history, if any;

4. State the date upon which the fiscal year of the organization ends;

5. State the name and address of legal counsel for the organization;

6. State the Funding Portal's business activities, including types of compensation the Funding Portal would receive;

7. List the names of the control affiliates and/ or beneficial owners of securities of the organization/applicant and disciplinary history, if any;

8. If the organization is owned and controlled by any person/ juridical person, provide the following information in respect of such juridical person:

   (a) Name and address;

   (b) Form of organization (e.g. association, corporation, etc.);

   (c) Date of organization in present form and SEC registration number.

EXHIBITS

Exhibits to be filed in connection with Registration as a Funding Portal under SEC Memorandum Circular No. __:

Exhibit A. Copies of identity cards/passports of directors and persons who control more than 10% of the applicant.

Exhibit C. Copy of the articles of incorporation with all amendments thereto, and of existing by-laws or instruments corresponding thereto, whatever the name, of the organization.

Exhibit D. Copy of proposed Funding Portal Business Conduct Rules.

Exhibit E. Copy proposed Funding Portal Account Opening and Disclosure Rules.

Exhibit F. If applicant is a nonresident Funding Portal, copy of the Information Sharing Agreement between the Philippine Securities and Exchange Commission and the relevant competent regulator in the jurisdiction under the laws of which the nonresident Funding Portal is organized, or where it has its principal place of business, that is applicable to the nonresident Funding Portal.

Exhibit E. Original signed copy of IT assurance regarding the system readiness of the Funding Portal.