SEC MEMORANDUM CIRCULAR NO. 9
Series of 2021

TO	**:**	**INVESTMENT COMPANIES** **FUND MANAGERS** **FOREIGN COLLECTIVE INVESTMENT SCHEMES** **FOREIGN COLLECTIVE INVESTMENT SCHEMES OPERATORS** **OTHER ENTITIES DEALING WITH AN INVESTMENT COMPANY OR FOREIGN CIS**
SUBJECT	**:**	**RULES ON AUTHORISATION OF AN INVESTMENT COMPANY AS A QUALIFYING CIS AND RECOGNITION OF A FOREIGN CIS UNDER THE ASEAN CIS FRAMEWORK**

WHEREAS, the ASEAN Capital Markets Forum (ACMF) was established in 2004 under the auspices of the ASEAN Finance Ministers, the primary responsibility of which is to develop a deep, liquid, and integrated regional capital market and is composed of a group of capital market regulators from ten ASEAN jurisdictions, namely Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Singapore, Thailand, Vietnam, and the Philippines;

WHEREAS, one of the initiatives of the ACMF is the Framework for Cross-Border Offering of ASEAN Collective Investment Schemes (ASEAN CIS Framework) which allows fund managers operating in a member jurisdiction to offer CIS, such as unit trust funds or mutual funds, constituted and authorised in that jurisdiction, in other member jurisdictions under a streamlined authorisation process;

WHEREAS, the ASEAN CIS Framework was operationalized in Malaysia, Singapore and Thailand in August 2014 following the signing of the Memorandum of Understanding (MoU) on Streamlined Authorisation Framework for Cross-border Public Offers of ASEAN Collective Investment Schemes in October 2013;

WHEREAS, the supplemental memorandum of understanding (Supplemental MoU) to the existing MoU on Streamlined Authorisation Framework for Cross-border Public Offers of ASEAN Collective Investment Schemes was signed and entered into by and among Securities Commission Malaysia, Monetary Authority of Singapore, Securities and Exchange Commission of Thailand and Securities and Exchange Commission Philippines on 11 May 2021 to admit the Commission as the fourth signatory to the ASEAN CIS Framework;

WHEREAS, Rule 16.2 on Regulations on Cross Border Transactions of the Implementing Rules and Regulations of the Investment Company Act (ICA) provides that the offering or selling of registered collective investment schemes in another economy/ies shall be subject to the regulations provided for in a mutual or multilateral cross-border trading of funds agreement which the Philippines is a signatory thereof;

WHEREAS, the requirements under the Standards of Qualifying CIS shall be in addition to the applicable requirements under Sections 8 and 12 of the Securities Regulation

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Code and applicable provisions of the Investment Company Act and its Implementing Rules and Regulations;

WHEREAS, to assist Investment Companies and their Fund Managers to offer cross-border under the Framework as well as the CIS Operators of foreign collective investment schemes, the Commission deems it necessary to issue the subject Rules;

WHEREAS, the subject Rules should be read in conjunction with the Implementing Rules and Regulations of the Investment Company Act (ICA-IRR) and any amendments thereto, Standards of Qualifying CIS dated 11 May 2021 or any amendments thereto, published at http://www.theacmf.org, and other relevant documents which may be issued from time to time;

IN VIEW OF THE FOREGOING, the following rules are promulgated:

I. Coverage

These rules shall apply to:

a. Investment Companies and Fund Managers incorporated in the Philippines that intend to participate in the Framework and offer for sale the shares of Investment Companies cross-border; and

b. Foreign Collective Investment Schemes Operators of Member Jurisdictions that will offer for sale foreign CIS in the Philippines under the ASEAN CIS Framework.

II. Definition of Terms

ACMF means the ASEAN Capital Markets Forum

ACMF Member means the securities regulator of the respective ASEAN jurisdiction, and collectively, the "ACMF Members"

ASEAN CIS Framework means the streamlined authorization framework for the cross-border offer of ASEAN collective investment schemes developed pursuant to the AMCF's Implementation Plan endorsed at the 13th ASEAN Finance Ministers' Meeting

Certified Investment Solicitor shall refer to a natural person of legal age duly licensed by the Commission and appointed by the Fund Manager or Mutual Fund Distributor to solicit, sell or offer to sell the shares or units of an investment company to the public

CIS Operator means a person who is responsible for the management of foreign collective investment scheme

Commission means Securities and Exchange Commission Philippines

Fund Manager means a registered entity with an Investment Company Adviser license that is engaged in the business of managing the daily operations of an Investment Company in the investment, administration, and accounting of fund assets

Home Jurisdiction means the jurisdiction in which the Qualifying CIS is constituted or established, and approved by the competent securities regulator of that jurisdiction for offer to the public in that jurisdiction

Host Jurisdiction means a jurisdiction (other than the Home Jurisdiction) in which the Qualifying CIS is offered or to be offered to the public in that jurisdiction

Home Regulator means the securities regulator of the Home Jurisdiction

Host Regulator means the securities regulator of the Host Jurisdiction

Investment Company means a stock corporation primarily engaged or holds itself out as being engaged primarily, or proposes to engage, in the business of investing, reinvesting and trading in securities

Member Jurisdiction means the jurisdiction of an ACMF Member which is a Signatory, and collectively, the "Member Jurisdictions"

Qualifying CIS means a CIS constituted or established in its Home Jurisdiction which has been approved by its Home Regulator for offer to the public in the Home Jurisdiction and assessed by its Home Regulator as suitable to apply to a Host Regulator for its shares/units to be offered to the public cross-border in the Host Jurisdiction pursuant to the ASEAN CIS Framework

Standards of Qualifying CIS means the set of rules and regulations as agreed and as may be amended from time to time amongst the ACMF members which applies to a Qualifying CIS under the ASEAN CIS Framework

III. Requirements for Authorisation of Investment Companies as Qualifying CIS

An Investment Company and its Fund Manager may offer the shares of the former in other Member Jurisdictions under the ASEAN CIS Framework only if:

1) Registration under ICA and SRC

The Investment Company is incorporated under the laws of the Philippines and authorized under the Investment Company Act (ICA) and Securities Regulation Code (SRC) to issue shares to the public;

*Guidance on the Legal Character of Qualifying CIS from the Philippines: For the avoidance of doubt, only **"shares"** (and not "units") issued by qualified investment companies will be allowed to be offered under the Framework. Moreover, an investment company that offers both shares and units of participation in the Philippines is eligible to participate in the Framework, however, only shares can be offered cross-border.*

2) Assessment as Qualifying CIS and Compliance with both local regulations and Standards of Qualifying CIS

The Investment Company has been assessed by the Commission as suitable to be a Qualifying CIS, the parties involved such as the Fund Manager and the proposed cross-border offering is fully compliant with the SRC, ICA, and their

respective Implementing Rules and Regulations (IRR) as well as the provisions of the Standards of Qualifying CIS and any amendments thereto.

Guidance: References to "Qualifying CIS" in the Standards of Qualifying CIS should be read to include investment companies while a "CIS Operator" should be read to refer to Fund Managers of investment companies

a. An Application to the Commission for Authorisation of an Investment Company as a Qualifying CIS must be made by the Investment Company or its Fund Manager, if authorized by the Board of Directors of the investment company by submitting a duly notarized and completed SEC Form – Qualifying CIS *(Annex E)*.

b. The authorization of an Investment Company as a Qualifying CIS shall be subject to a fee in the amount of ten thousand pesos (P10,000.00) plus Legal Research Fee (LRF), provided all other filing fees covered by SEC ICA Form 7-A and SEC Form 12-1-ICA have been previously paid covering the securities to be concurrently offered in the Philippines and in Member Jurisdictions.

An application is deemed incomplete if the fee is not paid.

c. The Commission will review and assess the application for authorization of an investment company as a Qualifying CIS within twenty-one (21) business days from submission of complete documents.

d. If the Commission is satisfied that the Fund Manager and Investment Company meet the applicable requirements stated in this Circular, Standards of Qualifying CIS, the ICA, SRC, and their respective IRRs, the Commission will issue a letter stating that:

i. The investment company has been approved by the Commission for public offer in the Philippines; and
ii. It has no objections to such investment company being deemed as a Qualifying CIS pursuant to the Standards of Qualifying CIS.

IV. Additional Requirements for Investment Companies offering cross-border

1. An investment company that seeks to offer its shares under the Framework must demonstrate compliance with both domestic regulations and Standards of Qualifying CIS, but where the two sets of requirements differ on a particular provision, the stricter requirement/s would govern and such fact must be highlighted in the Prospectus of the Fund.

2. In case of cross-border offerings, the roles and responsibilities of the Board of Directors of Investment Company (Qualifying CIS), Fund Manager (CIS Operator), Custodian, Independent Oversight Entity and other entities or persons dealing with the Investment Company shall also be governed by the Standards of Qualifying CIS or any amendments thereto.

3. The shares of the Qualifying CIS must be concurrently offered in the Philippines and in Member Jurisdictions.

4. The existing provisions under Rule 12.1 of the ICA-IRR as well as applicable provisions of the SRC shall apply to the reportorial requirements of the investment company that will participate in the Framework. However, the monthly sales and

redemption report should identify those sales and redemptions relating to cross-border offerings vis-a-vis local offerings for ease of monitoring.

V. Recognition of Foreign Collective Investment Schemes to be offered in the Philippines

A. Requirements for Recognition of a Foreign CIS

The foreign Collective Investment Scheme (foreign CIS) may be offered in the Philippines pursuant to the ASEAN CIS Framework if the following requirements are complied with:

1) The foreign CIS is constituted in a Member Jurisdiction and is permitted/authorised to be offered to the general public of that Member Jurisdiction;

2) The foreign CIS is not subject to any suspension or revocation order by the Home Regulator;

3) The foreign CIS has been assessed by the Home Regulator as suitable to be a Qualifying CIS;

4) The foreign CIS has been recognized by the Commission and permitted to be offered in the Philippines subject to the requirements provided under these Rules and any of its amendments;

5) Units of the foreign CIS will be concurrently offered in the Philippines and in the jurisdiction in which the foreign CIS is constituted and primarily regulated;

6) The foreign CIS, the CIS Operator and the trustee/fund supervisor satisfy the requirements of the Standards of Qualifying CIS and any amendments thereto as well as the requirements under these Rules relative to the recognition of foreign CIS; and

7) The Offering Document of the foreign CIS complies with the disclosure requirements of the Commission;

8) A local representative and distributor/s in the Philippines must be appointed in relation to each foreign CIS that is to be offered, marketed and distributed in the Philippines.

B. Requirement to Appoint a Local Representative in the Philippines

The CIS Operator must appoint a local representative in the Philippines in relation to each foreign CIS that is to be offered, marketed and distributed in the Philippines.

Any of the following can be appointed by the CIS Operator as its representative:

Representative	Description
1. Mutual Fund Distributor	A juridical person duly licensed or authorised by the Commission to distribute shares or units of an Investment Company
2. Fund Manager	A registered entity with an Investment Company Adviser license
3. Securities Broker/Dealer	An entity duly registered with the Commission as securities broker/dealer

Role and functions of a local representative

To represent and act on behalf of the foreign CIS and its CIS Operator for all matters relating to that foreign CIS such as, but not limited to, the following:

a. Submit or make available to the Commission and investors any report or information relating to the foreign CIS, the CIS Operator and any other information as may be required by the Commission from time to time

b. Facilitate communication between the investors and CIS Operator/trustee/fund supervisor/custodian

c. Inform and provide investors and the Commission with relevant reports, documents, and information involving the foreign CIS

d. Keep a consolidated registry of investors in the Philippines which should be readily available to the Commission

e. Make available for the Commission and public inspection at its registered office in the Philippines, the following:

   i. The current offering document and constitutive document of foreign CIS

   ii. The audited financial statements for the last two financial years and the latest interim financial statements (if applicable)

   iii. Each material contract and any other document involving the foreign CIS

f. Notify the Commission within five (5) calendar days from the occurrence of the event of any of the following:

   i) any material change involving the foreign CIS or parties involved in the foreign CIS

ii) any material action or order taken by the Home Regulator against the parties involved in the foreign CIS

iii) any instance of Home Regulator's order to suspend the redemption or dealing of units in the CIS

iv) revocation of authority or license to offer the CIS in the Home Jurisdiction

v) commencement and completion of the termination or winding up of the foreign CIS

vi) any change in the registered address or any other contact details of the foreign CIS

vii) any other material information involving the foreign CIS and parties involved in its operation

g. Ensure that the NAV per unit/share of the foreign CIS is made publicly available on a daily basis

h. Represent the operator of the foreign CIS in any dispute resolution scheme that the said operator may be subject to

Replacement of representative

1) If the position of the local representative becomes vacant, the offering, marketing or distribution of the foreign fund must immediately cease and such fact must be immediately reported to the Commission within seven (7) business days from the occurrence of the event.

2) The CIS operator must appoint a new local representative within 30 calendar days from the date of the vacancy, or any such period as may be allowed by the Commission.

3) The CIS operator must immediately notify the Commission of such appointment.

C. Requirement to Appoint a Local Distributor/s in the Philippines

The CIS Operator must appoint one or more local distributors for the purpose of offering, marketing or distributing a foreign fund that is to be offered in the Philippines under the ASEAN CIS Framework.

Any of the following can be appointed by the CIS Operator as the Local Distributor provided each local distributor has at least one (1) Certified Investment Solicitor (CiSol):

Local Distributor	Description
1. Mutual Fund Distributor	A juridical person duly licensed or authorised by the Commission to distribute shares or units of an Investment Company

2. Fund Manager	A registered entity with an Investment Company Adviser license and a separate license as a Mutual Fund Distributor.
3. Securities Broker/Dealer	An entity duly registered with the Commission as securities broker/dealer

Guidance: A single entity can act both as local representative and distributor provided it possesses all the licenses required as mentioned above.

Role and functions of a local distributor

The responsibility of the local distributor is to offer, market or distribute the foreign CIS in the Philippines and will be required to keep a register of investors that will be readily available to the Commission.

The local distributor should ensure compliance with the Suitability Rule under Rule 5.2.4 of the ICA-IRR.

D. Application for Approval or Recognition for the sale or offering of units of a foreign CIS in the Philippines

(1) An application to the Commission for the approval or recognition of a foreign CIS to be offered in the Philippines must be made by the CIS Operator or local representative of such foreign CIS by submitting a duly completed SEC- FCIS Form (Annex A)

a. Submission of application must be addressed to:

The Chairperson
Securities and Exchange Commission Philippines
(Attention: Director, Corporate Governance and Finance Department)
North Wing Hall, Secretariat Building, PICC Complex, Pasay City 1307

b. Submission of applications can be made on a business day in the Philippines between 8:00 a.m. to 5:00 p.m. Philippine time. Any submission received by the Commission after 5:00 p.m. will be deemed to be received on the following business day.

c. The application for recognition of foreign CIS and other relevant documents shall be submitted to the Commission in the form of hard (physical) copies as well as via electronic form (soft copies).

The hard copy must be placed in an envelope with the following label on top: *"ASEAN CIS" – Corporate Governance and Finance Department*

The electronic version shall be sent to the following email addresses: cgfd@sec.gov.ph and cgfd_ld@sec.gov.ph or any other email as may be defined by the Commission.

Guidance: The submission via electronic form is for information purposes only. The application shall be deemed to have been acquired by the Commission on the date the hard copies were received.

(2) A Prospectus for an offer for sale of units of a foreign fund or collective investment scheme according to SEC Form – ASEAN CIS Prospectus (Annex B) shall include a Product Highlight Sheet;

(3) Certification of True Documents and Data Accuracy (Annex D);

(4) Standard letter issued by the Home Regulator to a Qualifying CIS Operator as per Appendix I of the ASEAN CIS Handbook;

(5) ASEAN CIS Application Form as per Appendix II of the ASEAN CIS Handbook;

(6) Undertaking to submit to the non-exclusive jurisdiction of the Host Jurisdiction's courts, as per Appendix III of the ASEAN CIS Handbook; and

(7) A copy of the contract or similar evidence on the appointment of a local representative and distributor/s for the foreign CIS in the Philippines.

Guidance: Where relevant, references to "unit(s)" in these Circular should be read to include shares or any other instrument representing a right or interest in a foreign fund or CIS and "unit holder(s)" should be read to refer to shareholders or any person entitled to be recognized as owner of such right or interest in that foreign CIS."

All forms and documents shall be completed in the English language. In addition, where a person submits to the Commission a document which is not in English, the person shall also submit to the Commission, as the case may be, an accurate translation thereof in the English language.

E. Payment of Filing Fee

The foreign CIS shall be subject to the following fees:

Description	Fee
For every application to the Commission for recognition of a foreign collective investment scheme (includes Prospectus registration)	**Php 135, 000.00**
For registration of new[1] or updated prospectus	**Php 35,000.00**

F. Offering Document/Prospectus of foreign CIS

1) The offering document of a foreign CIS must comply with the relevant disclosure requirements provided under **Annex B of these Rules** as well as other applicable disclosures under Rule 4.2 of the ICA-IRR or any of its amendments.

2) The prospectus submitted to the Commission should not contain false or misleading information.

[1] If the Prospectus has an expiry date, the CIS Operator should register a new prospectus

3) The CIS Operator must prepare and submit to the Commission upon filing the application either:

   a. the latest version of the offering document/prospectus as approved by the Home Regulator together with a wrapper which contains the additional information required to be disclosed to investors under these Rules and any other applicable Philippine law or regulation; or
   b. another offering document/prospectus (in addition to the original offering document/prospectus approved by Home Regulator) which complies with the disclosure requirements under these Rules and any other applicable Philippine laws or regulations.

G. Rejection of Application for Recognition/ Suspension or Revocation of Approval of a Foreign CIS for public offer in the Philippines

The Philippines may refuse to recognize/approve a foreign Qualifying CIS for public offer in the Philippines, or may suspend, or revoke the Approval of a foreign Qualifying CIS for public offer in the Philippines, in any of the following circumstances:

a. The CIS Operator or Qualifying CIS submits or has been found to have submitted false or misleading information to either the Home Regulator or the Commission;

b. The CIS Operator or Qualifying CIS misrepresents to or has been found to have misrepresented to; defrauds or has been found to have defrauded investors;

c. The CIS Operator, Qualifying CIS, the trustee / fund supervisor contravenes or has been found to have contravened any obligations or provisions in the constitutive documents that are applicable to them;

d. The CIS Operator, Qualifying CIS or the trustee / fund supervisor fails or has been found to have failed to comply with any resolution passed by investors; or

e. The CIS Operator, Qualifying CIS contravenes or has been found to have contravened any laws, regulations, Standards of Qualifying CIS, or administrative provisions imposed in the Home Jurisdiction or in the Philippines.

Guidance: The abovementioned grounds shall apply for the rejection of application for Authorisation/ Suspension or Revocation of Status of an Investment Company as a Qualifying CIS.

H. Reportorial Requirements for foreign CIS

The CIS Operator or its authorised representative must submit the following reports to the Commission:

1) Updated Prospectus to be submitted within fifteen (15) calendar days from the time it was updated and/or approved by the Home Regulator or after lodgment with the Home Regulator (whichever is applicable)

2) Annual Reports and Interim Reports must be submitted in the same manner and within the same period that it is required to be filed with the Home Regulator

3) A current report on SEC Form 17-C, as may be necessary, to make a full, fair and accurate disclosure to the public of every material fact or event that occurs which would reasonably be expected to affect the investors' decisions in relation to those securities within five (5) calendar days after the occurrence of the event reported, unless substantially similar information as that required by SEC Form 17-C has been previously reported to the Commission by the CIS Operator or its authorised representative

4) A monthly report within the same period that it is required to be submitted to the Home Regulator. If not required in the Home Jurisdiction, within thirty (30) days from effectivity of the Order recognizing the Qualifying CIS, and within the first ten (10) days of every month thereafter, the CIS Operator or authorised representative shall submit to the Commission a Monthly Issuance and Redemption Report of units, showing the additional information below if not yet contained in the monthly report submitted to the Home Regulator.

    a. The number of units outstanding at the beginning of the month
    b. The number and total amount/value of units sold during the month
    c. The number and total amount/value of units redeemed during the month
    d. The number of units outstanding at the end of the month
    e. The percentage of the outstanding shares owned by Filipinos as of the end of the month
    f. Number of accounts or investors
    g. Average net asset value as of the end of the month

    For items a to d, provide the information for Philippine investors only and include the percentage based on the total sales and redemptions for the month.

Guidance: All reports to be submitted to the Commission must be in the English language. In case a foreign CIS, its CIS Operator or local representative submits to the Commission a document which is not in English, an accurate translation thereof in the English language must also be filed.

I. Penalties for violations of foreign CIS

The applicable provisions of the SRC, ICA, and their IRRs on civil and/or criminal liabilities shall apply in case of any violation relative to the offering of the foreign CIS in the Philippines.

Guidance:
The CIS Operator and its directors as well as Board of Directors of Qualifying CIS (as may be applicable) must confirm in its application that they are aware of the criminal and administrative liabilities under the Securities Regulation Code and other applicable laws of the Philippines relating to offer of CIS in the Philippines such as those involving false or misleading representation of material facts in any prospectus concerning the foreign CIS and any other material information.

VI. Effectivity

These rules shall take effect immediately after publication in two (2) newspapers of general circulation in the Philippines.

Pasay City, Philippines, 16 August 2021.

For the Commission:

EMILIO B. AQUINO
Chairperson

Annex A

SEC FCIS Form- retail ASEAN CIS

APPLICATION FOR RECOGNITION
OF A FOREIGN COLLECTIVE INVESTMENT SCHEME (CIS)

We, undersigned directors of *(name of CIS Operator)* that currently manages and operates (*name of the ASEAN CIS*), hereby notify the Securities and Exchange Commission Philippines of our intention to offer the ASEAN CIS to the public in the Philippines.

All documentary requirements have been completed including the subject application form together with the supporting documents enumerated in SEC Memorandum Circular No. 9, series of 2021 (Rules on Authorisation of an Investment Company as a Qualifying CIS and Recognition of Foreign CIS under the ASEAN CIS Framework).

We affirm and certify that:

1. The (*name of CIS Operator*) is under ongoing supervision of *(Home Regulator)* which has the power to impose penalties or to make the necessary order and direct the Qualifying CIS Operator to act or refrain from any activity that is detrimental to the interest of the investors;

2. The (*name of CIS Operator and name of CIS*) are currently not covered by any disciplinary or administrative action by the Home Regulator such as suspension, withdrawal or revocation order and there is no prohibition or condition (if there is any, disclose the condition) covering the sale or offering in their Home Jurisdiction;

3. The (*name of CIS Operator*) is compliant with the laws and rules enforced by the Home Regulator and it has no record relating to infractions/violations of the laws or regulations of Home Jurisdiction on the disclosures of material information both to investors or Home Regulator;

4. The offering document/prospectus including any other information regarding the foreign CIS will be disclosed and distributed to investors in the Philippines within the same period that such information is required to be disclosed and distributed to investors in the Home Jurisdiction.

5. The (*name of CIS Operator*) and its directors are aware of the criminal and administrative liabilities under the Securities Regulation Code and other applicable laws of the Philippines relating to offer of CIS in the Philippines such as those involving false or misleading representation of material facts in any prospectus concerning the foreign CIS and any other material information

6. The foreign CIS fully complies with all the requirements of the revised Standards of Qualifying CIS of the Memorandum of Understanding on Streamlined Authorisation Framework for Cross-border Public Offers of ASEAN Collective Investment Schemes (MoU) and its Supplement, and is under supervision of Home Regulator who is a signatory to the MoU.

7. The units of the foreign CIS to be offered in the Philippines have been or would concurrently be offered for sale in the Home Jurisdiction.

This is executed for whatever legal purpose it may serve.

I/We have hereunto affixed our signature this _____ day of _____, 20__, in _____.

Signature _____ Date _____
Name and Title/Position

Guidance: This form shall be signed and certified by at least majority of the directors of the CIS Operator and Qualifying CIS, if applicable.

Annex B

SEC Form – ASEAN CIS Prospectus

FOR AN OFFER FOR SALE OF UNITS OF A FOREIGN FUND OR COLLECTIVE INVESTMENT SCHEME

List of Disclosure Requirements (Offering Document/Prospectus of a foreign collective investment scheme)

<table>
<tr><th>Information Required in Prospectus</th><th>Page and Paragraph in Prospectus</th></tr>
<tr><td colspan="2">General Instruction: Indicate the specific page and paragraph in Prospectus for each of the required disclosure. If not applicable, put “N/A” and briefly explain the reason/s thereof.</td></tr>
<tr><td>Cover Page of Prospectus</td><td></td></tr>
<tr><td>1. Name of the Foreign collective investment scheme (foreign CIS)</td><td></td></tr>
<tr><td>2. Date of approval as Qualifying CIS under the ASEAN CIS Framework by Home Regulator (dd/mm/yyyy)</td><td></td></tr>
<tr><td>3. Home Jurisdiction</td><td></td></tr>
<tr><td>4. Home Regulator</td><td></td></tr>
<tr><td>5. Date of registration and expiry date of prospectus (if applicable)</td><td></td></tr>
<tr><td>6. Classification of the foreign CIS (e.g. equity fund, fixed income fund, money market fund etc.)</td><td></td></tr>
<tr><td>7. Structure of the foreign CIS (unit trust, corporation, contractual etc.)</td><td></td></tr>
<tr><td>8. If applicable, list the host jurisdiction(s) other than Philippines where the offering of the foreign CIS has commenced and any pending application in other countries using the format below:
<table>
<tr><th colspan="2">A. The foreign CIS is currently offered in:</th><th colspan="2">B. The foreign CIS intends to be offered in:</th></tr>
<tr><td>Country</td><td>Commencement Date</td><td>Country</td><td>Date of Application and Status</td></tr>
</table></td><td></td></tr>
<tr><td>9. Name of CIS operator:
a. Tel/Fax: Website:
b. Contact person: Email:</td><td></td></tr>
<tr><td>10. Name of local representative and distributor/s:
a. Tel/Fax: Website:
b. Contact person: Email:</td><td></td></tr>
</table>

11. Name of Trustee/Fund Supervisor a. Tel/Fax: Website: b. Contact person: Email:	
12. Date of Prospectus	
13. Table of Contents	
14. Glossary	
15. Total number of shares/units approved by Home Regulator to be offered to the public and maximum aggregate value	
16. Offering price per unit/share	
17. For existing funds, state the units issued and net asset value in latest available figures in Philippine Peso (disclose the foreign exchange conversion rate used and its source)	
18. Date of the constitutive documents and place where the documents may be inspected	
19. Summary of fees, commissions and other charges to be paid by the investors (tabular format)	
20. Summary financial information (data shall include, but need not be limited to the following: a. Abbreviated income statement data for prior two years b. Abbreviated balance sheet data for the prior two years	
21. Category of the foreign CIS whether aggressive, growth-oriented, or conservative	
22. The investment objective, policy and strategy	
23. Asset allocation of the foreign CIS to achieve the investment objective (in percentage)	
24. The description of the terms, features, rights, and privileges of the shares/units to be offered to the public;	
25. Level of protection for the investors including the rights of each holder;	
26. Risk factors (General and Specific)	
27. Risk monitoring and management procedure, including a risk management framework for the assets managed by the CIS Operator	
28. Investment of the fund or the use of proceeds including the investment powers of the CIS Operator with respect to the funds of the foreign CIS	
29. Determination of the offering price i. The price of units/shares subscribed or redeemed within the cut-off time of the day ii. Provide the daily cut-off time iii. Daily Computation and Publication of NAVpu/NAVps iv. Pricing method/methodology of asset valuation (Price Determination of the Assets) v. Net Asset Value Calculation	

30. Plan of Distribution	
31. Procedure for monitoring fund distribution;	
32. Profile of the prospective investors and investment suitability;	
33. The procedure for issuance and redemption/payoff structure and costs involved;	
34. Minimum subscription amount	
35. For a juridical CIS, discussion on the business experience (for the last 5 years) of the directors and executive officers including their ownerships in the foreign CIS, family relationships and employment contracts	
36. Disclose separately and in tabular format the directors and executive officers' compensation (as applicable)	
37. Security ownership and beneficial ownership of any person holding at least five per centum (5%) of the outstanding shares/units of the foreign CIS (as applicable)	
38. Disclosures on related party transactions and description of involvement, if any, of the foreign CIS, CIS Operator, their officers, or directors in companies which the foreign CIS will be dealing with;	
39. Name and background of the parties which should include brief description of roles, duties and responsibilities of the CIS Operator, Trustee/Fund Supervisor. For the CIS Operator include Number of years the CIS Operator has carried on business in fund management and Total assets under management (latest available figure);	
40. Name, past working experience (for the last 5 years), educational and professional qualifications of the directors and key executives of the CIS Operator	
41. Name and background of local representative and distributor/s and include brief description of their roles, duties and responsibilities	
42. Liabilities of the foreign CIS and the CIS Operator to the shareholders/unit holders	
43. Legal proceedings involving foreign CIS and the CIS Operator, and their officers and directors	
44. Annual meeting of shareholders (as applicable)	
45. Procedure for handling customer's complaints;	
46. Policies on the following: conflict of interest; and management and procedures in monitoring and resolving conflicts of interest;	
47. Delegation of fund management or custody of assets, if any;	
48. Law(s) and Regulation (s) of the Home Country governing the foreign CIS	
49. Taxation of the foreign CIS and taxation of investors (both local and foreign)	
50. Expense ratio and other material information	

Guidance: This form shall be signed and certified by at least majority of the directors of the CIS Operator and Qualifying CIS, if applicable.

Annex C

SAMPLE PRODUCT HIGHLIGHT SHEET

Logo

PRODUCT HIGHLIGHT SHEET
NAME OF FUND

BRIEF INFORMATION ON (Fund's name)

- Provide information with respect to the Qualifying CIS
- The investment objective, policy and strategy of the Qualifying CIS;

PRODUCT SUITABILITY

The recommended investment timeframe for this Fund is _____ or more. This Fund is suitable for investors who:

- Have a (short, medium to long term) investment horizon;
- Want a diversified portfolio of investment in _____; and/or
- Are willing to take (conservative, moderate, aggressive etc. risks) for potentially (low, moderate etc.) capital returns over _____ term

KEY PRODUCT FEATURES

Fund Category / Type	
For Feeder Funds and Fund of Funds, provide information on the underlying fund/s	
Base Currency	
Benchmark	
Investment Strategy	
Date Rendered Effective	
Rights of the Security Holders	
Other Key Features of the Fund	
CIS Operator (include delegatee, if any)	
Custodian (include delegatee, if any)	
Trustee/ Fund Supervisor	
Independent Auditor/Accountant	
Home Jurisdiction	
Home Regulator	

RISKS FACTORS

- Provide information on the risks in investing in this type of product.
- Provide information that there is **NO GUARANTEE** on the investment returns, nor any assurance that the fund's investment objective will be achieved.

FEES & CHARGES

CIS Operator Fee	
Trustee/Fund Supervisor Fee	
Custodian Fee	
Fees/charges paid by the investor when subscribing or redeeming the units	
Applicable Taxes	
Any other fee	

TRANSACTION INFORMATION

Minimum Initial Investment	
Minimum Additional Investment	
Minimum Redemption Amount	
Minimum Balance	
Cooling-off Period, if any	
Holding Period	
Period to Receive Payments	
Cut-off Time for Valuation of Securities: **Subscription** **Redemption**	

SUBSCRIPTION OF SECURITIES

- This portion should provide the procedure for the issuance and subscription of the units.

- It should provide information on where, when, how to subscribe the shares or units and what shall the investor receive once payment is made on the subscription.
- Provide a discussion on the computation of the NAVpU[2] and the cut-off period.
- A description of the fees to be charged against the investor should be disclosed including bank fees if the transaction is coursed through a bank

REDEMPTION OF SECURITIES

- This portion should provide the procedure for the redemption of the units
- It should provide information on where, when, how to request the redemption of the units and what and period to receive payment (which should be within seven (7) banking days from receipt of the request.
- A description of the fees to be charged against the investor should be disclosed including bank fees if the transaction is coursed through a bank.

FUND PERFORMANCE

Annual Total Return of the Fund

As of _____ 20__	1-Year (%)	2-Year (%)	3-Year (%)	4-Year (%)	Initial Value (in respective currency)
Fund					

Average Total Return of the Fund against Benchmark

As of _____ 20__	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Initial Value (in respective currency)
Fund					
Benchmark					

CONTACT INFORMATION / COMPLAINT

- This portion should provide the contact details, such as but not limited to, the phone number, fax number, business address and e-mail address, of the CIS Operator and local representative. An establishment of a Customer Care Center is advisable.
- In the alternative, contact the Securities and Exchange Commission Philippines thru cgfd_ld@sec.gov.ph
- This should also provide the procedure for receiving complaints or queries and how they are handled.

[2] Net Asset Value per Unit

Annex D

Certification of True Documents and Data Accuracy

I/We, the undersigned director(s), do hereby state that I/we have read and fully examined all information contained in this Application, Prospectus, Product Highlight Sheet and all supporting documents appended hereto and I/we certify the following:

(a) All documents submitted contain information which are true, current, accurate, and complete in all respects;

(b) The documents do not contain any false or misleading statement in materiality nor omission of any material statement that ought to be declared;

(c) The supporting documents attached to the application and filed with the Securities and Exchange Commission Philippines are the true latest versions that have been approved by, registered, or filed with (state the name of Home Regulator); and

(d) The translated documents (if any) are true and accurate translations of the original documents.

This is executed for whatever legal purpose it may serve.

I/We have hereunto affixed our signature this _____ day of _____, 20__, in _____.

Signature _____ Date _____
Name and Title/Position

Guidance: This form shall be signed and certified by at least majority of the directors of the CIS Operator and Qualifying CIS if applicable.

Annex E

SEC Form – QCIS

APPLICATION FOR AUTHORISATION OF AN INVESTMENT COMPANY AS A QUALIFYING CIS

We, the undersigned director(s) of the (name investment company) and (name of Fund Manager), do hereby notify the Commission of the Fund's intention to offer its shares to other Member Jurisdictions. For the cross-border offerings, we affirm and certify that:

1) The (name of Investment Company) and (Fund Manager) will comply with all the provisions of the Standards of Qualifying CIS (SQCIS) such as but not limited to the following:

a. Any material change to the constitutive document of an investment company will be subject to shareholders' approval but any change to the constitutive document that is:

(i) non-material;
(ii) beneficial to the interests of shareholders; or
(iii) made for compliance with any applicable law and regulation,

will be certified by the IOE, but need not be subject to shareholders' approval.

Guidance: The constitutive documents of an investment company referred to in these Rules and in the SQCIS pertain to its Articles of Incorporation, By-Laws and Registration Statement.

b. The Fund Manager will deal in the shares of investment company at least a month subject to the provisions of Memorandum Circular No. __ and any amendments thereto;

Guidance: While the SQCIS only requires the CIS Operator to deal in the shares of an investment company, the Fund Manager of an investment company must deal not only at least once a month but upon the request the request or application of the investors for redemption pursuant to Rule 10.1 of the ICA-IRR

c. The Fund Manager will inform the Commission and the Independent Oversight Entity (IOE) within three (3) business days in the Philippines after it becomes aware of any breach of investment restrictions.

d. The IOE will be consulted or its approval be secured in case of suspension of dealing of shares as provided in Part II, Sec.6, par. 6.3 of the SQCIS

e. The investment company and its Fund Manager will ensure that its offering in Member Jurisdictions complies with all their applicable laws and rules and regulations

Guidance: Pursuant to the SQCIS, the disclosure and reporting requirements such as prospectus and other ongoing disclosure obligations, for a Qualifying CIS are subject to the Host Regulator's requirements

2) The (name of Investment Company) and (Fund Manager) has no outstanding violations relating to the operation of its business; and

3) The (name of Investment Company) and (Fund Manager) is not currently subject to any order of suspension, revocation or any other administrative/disciplinary action by the Commission.

I/We have hereunto affixed our signature this _____ day of _____, 20__, in _____.

Signature_____ Date _____
Name and Title/Position

Guidance: The application must be signed by at least a majority of the Board of Directors of the Investment Company and its Fund Manager

Notary Public

List of Disclosure Requirements	
Item	**Page in Application**
1. Investment Company	
Name and Registration Number	
Date of Incorporation	
Date of issuance of Certificate of Permit to Sell Securities	
Indicate the type/s of securities offered (shares, units or both)	
Name and Professional Qualifications of Board of Directors	
Provide a statement in the Registration Statement that limits the liability of the investors/Participants to their investments in the Qualifying CIS or investment company.	
Provide a statement in the Registration Statement that the Fund will offer in the Philippines as well as outside the Philippines under the ASEAN CIS Framework	
2. Fund Manager	
Name and Registration Number	
Date of Approval of its License	
A. Experience of Fund Manager a. Number of years that the Fund Manager has engaged in the business of managing funds b. Amount of assets under management (AUM) at the time of application of each investment company as Qualifying CIS: USD _____ as at (date):_____ *Guidance: To assess the qualification of the AUM of the Fund Manager, the investment company should submit a list of the names of all Funds managed by the Fund Manager with their corresponding AUM.*	
B. Capital Adequacy of Fund Manager a. Amount of shareholders' equity (USD) b. Amount of additional capital in cash (USD)	

C. Qualifications of Personnel of the Fund Manager	
i. Chief Executive Officer (CEO) ● Name ● Number of years of experience of CEO in financial or capital markets	
ii. Names of Board of Directors of Fund Manager ● Names of Executive Directors and number of years of experience of each in financial or capital markets ● Names of Non-executive Directors and number of years of experience of each in any other field	
iii. Names of key executive officers ● Qualifications and number of years of experience of each key executive officer in financial or capital markets	
iv. Names of key officers responsible for making investment decisions for the investment company ● Qualifications and number of years of experience of each key officer in fund management	
3. Independent Oversight Entity (IOE)	
● Name and date of constitution or engagement as IOE ● Qualifications of IOE	
4. Custodian	
5. External Auditor	

Exhibits	
1. Latest Articles of Incorporation and By-Laws 2. Registration Statement and Prospectus of the Investment Company 3. Latest Audited Financial Statements of the Investment Company 4. Material Contracts (Management Agreement, Custodian Agreement etc.) 5. Fund Manager's Audited Financial Statements 6. Curriculum Vitae of directors and key officers of the Fund and Fund Manager; 7. List of the names of all Funds managed by the Fund Manager with their corresponding AUM and other information as may be required by the Commission	