Republic of the Philippines
Department of Finance
Securities and Exchange Commission
SEC Building, EDSA, Greenhills, Mandaluyong City

SEC MEMORANDUM CIRCULAR NO. 11
Series of 2013

SUBJECT: **FINANCIAL STATEMENTS TO SUPPORT AN APPLICATION FOR A LICENSE TO TRANSACT BUSINESS IN THE PHILIPPINES**

In line with Administrative Order No. 38 on ***Ease of Doing Business Reforms***, the Commission in its meeting on 30 May 2013 resolved to revise the requirements on financial statements and supporting documents that shall be submitted with an application of a foreign corporation for a license to transact business in the Philippines, as follows:

1. For those whose home country requires audited financial statements, the applicant shall submit the audited financial statements (AFS) as of date not exceeding one (1) year immediately prior to the filing of the application;

   If the date of the AFS exceeds the one-year requirement, the following shall be submitted:
   a. Audited financial statements that are available as of date of filing of the application; and
   b. Unaudited financial statements (UFS) as of date not exceeding one (1) year immediately prior to the filing of the application.

2. For those whose home country does not require audited financial statements, the applicant shall submit the unaudited financial statements (UFS) as of a date not exceeding one (1) year immediately prior to the filing of the application provided that the UFS shall be accompanied by a Certification signed under oath by an officer of a responsible regulatory institution or by the applicant's legal counsel that the applicant is not required to prepare and submit audited financial statements, with a citation of the law or regulation on which it is based.

The aforementioned AFS and UFS must be signed under oath by the president or any other person authorized by the corporation. No authentication shall be necessary if the signatory to the said financial statements is the same as that in the corporation's application.

Pursuant to Section 125 of the Corporation Code, the applicant's financial statements must show that it is solvent and in sound financial condition.

This Memorandum Circular shall take effect immediately.

6th day of June 2013, Mandaluyong City, Philippines.

MA. JUANITA E. CUETO
Officer-in-Charge