



SEC ADVISORY

The **SECURITIES AND EXCHANGE COMMISSION** ("SEC") will allow SEC-registered lending companies without the required Certificate of Authority (CA) to apply for a CA provided that they apply for and secure it on or before **April 30, 2017**.

However, past violations for non/late submission of General Information Sheet (GIS) and Audited Financial Statements (AFS), which are required for all SEC-registered companies, will still be subject to payment of penalties. In addition, lending companies shall be required to submit GIS and AFS for the last two (2) years together with their application for CA.

Informal lenders against whom complaints for violation of Republic Act No. 9474 (RA 9474) and/or fraudulent, oppressive and illegal practices in lending to borrowers including those violating the Truth in Lending Act, charging unreasonable interests, fees or charges, employing harassment tactics in collecting from its borrowers, coercing borrowers to buy on credit or otherwise appliances or other items, filing criminal complaints against borrowers as a circumvention of the prohibition against imprisonment for non-payment of debt and similar other activities will be subject to investigation for possible prosecution for violation of the said and other laws and imposition of a **fine of not less than Ten Thousand Pesos (P10,000.00) and not more than Fifty Thousand Pesos (P50,000.00) or imprisonment of not less than six (6) months but not more than ten years or both, at the discretion of the court per Section 12 of the Lending Company Regulation Act of 2007.**

Should you have any information regarding individuals/entities engaging in lending business illegally, please call the Corporate Governance and Finance Department at telephone numbers 818-5476 or 818-5516 or report the same via the **i-Message Mo** of the Commission's website: www.sec.gov.ph.

Mandaluyong City, Philippines.