

**SECURITIES AND EXCHANGE COMMISSION
BUSINESS PLAN**

[Date: Day/Month/Year, e.g., 05 May 2022]

[Name of Financing Company/Lending Company]

**Certificate of Authority to Operate as a Financing/Lending Company No. [Number]
[Principal Office Address]
[Email Address per SEC Memorandum Circular 28, Series of 2020]**

Instructions:

Fill in the fields with the required information and submit all annexes herein indicated. You may continue on a separate sheet, if necessary. Avoid leaving any item blank. Write "N/A" if the information required is not applicable or "NONE" if non-existent. In labeling the annexes, place the label on the top right hand side of the document.

I. Plan of Operations

1. Company's corporate goals within the next three (3) years

2. Financial internal control procedures

3. Company's marketing program

a	Total Number of Existing Borrowers¹	
b	Target Market (e.g., unbanked, MSMEs, OFWs, professionals)	
c	Area/s of Operation (e.g., Region I, NCR, nationwide, Pasay City)	
d	Promotion/Advertising (e.g., social media [please specify], TV, radio, flyers)	
e	Mode of Distribution (e.g., e-wallet, point of sale, over the counter bank)	

4. Source of additional operating capital

II. Credit Process

1. Credit Criteria (KYC process in assessing creditworthiness of borrowers)

(Please attach as Annex A)

2. Diagram/Workflow of Loan Application Process (walkthrough of the loan process)

A. Diagram/Workflow

(Please attach as Annex B-1)

B. Narration/Explanation

(Please attach as Annex B-2)

¹ For existing financing and lending companies (FCs and LCs), cut-off date is 31 March 2022. For FCs and LCs incorporated subsequent to 3 March 2022, cut-off date is 60 days from issuance of Certificate of Authority. For FCs and LCs which will amend the SEC Form BP-FCLC, cut-off date shall be the date of the amendment.

3. Sample Copy of the Loan Disclosure Statement in compliance with the Truth in Lending Act

(Please attach as Annex C)

4. Loan Products and Pricing Parameters

(Please use the template provided and attach it as Annex D)

5. Sample Computation of Effective Interest Rate (EIR) for loans covered by SEC Memorandum Circular No. 3 Series of 2022

(Please use the template provided and attach it as Annex E; for companies with more than one method of computing EIR, please continue in a separate sheet)

III. Collections/Customer Service Process

1. Diagram/Workflow of Collection Process

A. Diagram/Workflow

(Please attach as Annex F-1)

B. Narration/Explanation

(Please attach as Annex F-2)

C. Customer Service Division/ Unit/ Personnel

(Please describe/explain the company's policies and processes in handling customer queries, concerns, and complaints, and attach the description/explanation as Annex F-3)

2. Third Party Service Providers (TPSPs)

	Name of TPSP (Indicate the name of the individual, partnership, law firm, corporation, etc.)	Registration (Indicate which government agency the company is registered with, e.g., Securities and Exchange Commission, Department of Trade and Industry, Bangko Sentral ng Pilipinas. If individual, indicate independent contractor)	Registration/ Accreditation Number and Date of Registration/ Accreditation
a			
b			
c			
d			

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FINANCING AND LENDING COMPANIES
In Compliance with SEC Memorandum
Circular No. 3, Series of 2022

e			
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3. Compliance with SEC Memorandum Circular No. 18, Series of 2019 (Prohibition on Unfair Debt Collection Practices of Financing Companies and Lending Companies)

(Please attach proof of compliance with Section 4 as Annex G)

IV. Online Lending Platforms (OLPs)

1. List of existing OLPs owned, operated, and utilized by the company

	Name of OLP	Launching date of OLP	Social media or websites (Indicate URL)	OLP logos	Digital distribution platform (e.g. Google Play, App Store)
a					
b					
c					
d					
e					

2. Compliance with SEC Memorandum Circular No. 19, Series of 2019 (Disclosure Requirements on Advertisements of Financing Companies and Lending Companies and Reporting of Online Lending Platforms)

*(Please attach **previously** submitted SEC Form 1/ Form 2 [on or prior to 2 November 2021] as Annex H, if applicable)*

SEC Form BP-FCLC
FINANCING AND LENDING COMPANIES
In Compliance with SEC Memorandum
Circular No. 3, Series of 2022

I, _____, President of _____ (the "Corporation"), hereby
(name) (name of company)
certify that all the information set forth in the above report is true and correct to the best of my
own knowledge and belief.

On behalf of the Corporation, I hereby undertake to timely apprise the Securities and
Exchange Commission (the "Commission") of all relevant changes in the submitted information as
they arise. I further undertake, on behalf of the Corporation, to submit an Amended Business Plan
(SEC Form BP-FCLC) containing the new information within ten (10) days before implementing
the changes in such form and manner prescribed under the rules and regulations implemented
and as may be subsequently promulgated by the Commission.

Signature of the President over Printed Name

REPUBLIC OF THE PHILIPPINES)
IN THE CITY OF) S.S.

SUBSCRIBED AND SWORN TO before me this ___ day of _____, ___ the above
affiant exhibiting to me his/her Tax Identification Number _____ issued at
_____ on _____.

NOTARY PUBLIC

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

ANNEX D

Template for II (4) Loan Products and Pricing Parameters

Type of Loan (e.g., payday loan, salary loan, business loan, car loan, general purpose loan, unsecured)	Minimum and Maximum Loan Value (e.g., Php5,000 - Php10,000)	Loan Tenor¹ (e.g., 30 days, 2 months)	Monthly Nominal Interest Rate² (e.g., 6%)	Other Fees and Charges³ (indicate the fee and its corresponding rate/amount, e.g., Processing Fee - Php200)	Monthly Effective Interest Rate⁴ (e.g., 15%)	Fees/Penalties for Late Payment or Non-payment (e.g., 5% per month on outstanding scheduled amount due)	Total Cost⁵ (indicate the amount)	Mode of Payment (e.g., online bank transfer)

¹ **Loan tenor** refers to the length of time to repay the principal loan amount with total interest and other fees and charges.

² **Nominal Interest Rate** refers to the contractual rate or the price paid for the use of money and is expressed as a percentage of the total amount borrowed without considering other fees and charges.

³ **Other fees and charges** refer to additional fees, imposed on top of the nominal interest charges. Examples of these are processing fees, service fees, notarial fees, origination fees, transfer charges, documentary stamp tax, and disbursement fees, among others, but excluding fees and penalties for late payment and non-payment.

⁴ **Effective Interest Rate (EIR)** refers to the total nominal interest paid plus other fees and charges, excluding penalty and late payment fees, expressed as the rate that exactly discounts estimated future cash flows throughout the life of the loan to the net amount of loan proceeds. It shall follow the calculation models implemented in the Truth in Lending Act.

⁵ Applies to all interest, other fees and charges, and penalties.

ANNEX E

Template for II (5) Sample Computation of EIR for loans covered by SEC Memorandum Circular No. 3 Series of 2022

Tenor (days)

No. of repayments

Principal amount

Nominal Interest rate (per month)

Nominal Interest rate (per day)

Other fees and charges

Other fees and charges

(% of Principal Amount)

Repayment period	Gross Loan	Cash Flow	Principal	Nominal Interest	Other fees	Effective Interest	Principal repayment	Outstanding Balance
0								
1								
	TOTAL							

Summary

Effective Interest Rate =
(using excel IRR function)

=

Monthly Effective Interest Rate (MEIR) =
(using excel IRR function)

=

% per month
(% per day)