NON-BANK FINANCIAL INSTITUTIONS

Non-Bank Financial Institutions – financial institutions other than banks, classified into government and private sectors, with or without quasi-banking functions, primarily engaged in long-term financing for the expansion and modernization of productive ventures and, to a minor extent, for facilitating short-term placements in other financial institutions.

a. **Investment Houses** – enterprises engaged in guaranteed underwriting of securities of other persons or enterprises, including securities issued by the government and its instrumentalities.

b. **Financing Companies** – corporations or partnerships primarily organized for the purpose of extending credit facilities to consumers and to agricultural enterprises either by discounting or factoring commercial papers, account receivables or other evidences of indebtedness, or by leasing motor vehicles, heavy equipment, industrial machinery and equipment, appliances.

c. **Investment Companies** – entities primarily engaged in investing, re-investing or trading in securities.

d. **Securities Dealers** – institutions organized either as partnerships or corporations that buy and sell securities of another or acquire securities for the purpose of reselling or offering them for sale to the public for their own account. They do not get any commission but they derive income from trading, representing the difference in the buying and selling price of securities.

e. **Securities Brokers** – institutions engaged in the business of undertaking transactions in securities for the account/risk of others.

f. **Pawnshops** – business establishments engaged in lending money on personal property delivered as security or pledge.

g. **Fund Managers** – institutional and personal administrators of funds created or constituted for the benefit of others.

h. **Lending Investors** – persons who lend money for themselves or others. They use their own capital for the purpose of extending all types of loans, oftentimes without collateral.

i. **Non-Stock Savings and Loan Associations** – corporations organized primarily for the mutual self-help and common interest of its members who belong to a well-defined group and shall not transact business with the general public.

j. **Mutual and Loan Associations** – corporations whose capital stock is required or is permitted to be paid in by the stockholders in regular, equal periodic payments to repay said stockholders their accumulated savings and profits upon surrender of their shares. These entities aim to encourage industry, frugality and home building among the stockholders on the security of unencumbered real estate pledge of shares of the capital stock owned by such stockholders as collateral security.

k. **Private Insurance Companies** – insurance carriers of all kinds such as life, fire, marine, accident, health, title, financial obligations, casualty, fidelity and surety; insurance agents' and brokers' organizations servicing insurance carriers; consultants for policy holders; adjusting agencies; independently organized pensions (superannuation) funds.

l. **Government Non-Bank Financial Institutions** – consist of the Government Service Insurance System (GSIS) , Social Security System (SSS), Trade and Investment Development Corporation of the Philippines (TIDCORP) and Small Business Guarantee and Finance Corporation (SBGFC).

m. **Venture Capital Corporations (VCCs)** – any entity organized jointly by private banks, the NDC and the Technology and Livelihood Resource Center (TLRC) and/or such other government agency as may be authorized by the appropriate authority. The primary purpose of VCCs is to develop, promote and assist, through debt or equity financing or any other means, any small and medium-scale enterprise in the country.