| **Minimum Requirements** | **Submitted** | **Indicate document name and reference to specific page/section/number****If not submitted, indicate reason for non-submission** |
| --- | --- | --- |
| **Yes** | **No** |
| **Phase 1 Determination of applicant’s eligibility for MAL** |
| 1. Application for Registration as Operator of Payment System (OPS) and/or Merchant Acquisition License (MAL) signed by the president, chief executive officer, or a senior officer holding an equivalent position (Annex A).
 |   |  |  |
| 1. Notarized Special Power of Attorney (SPA)/Board Resolution, authorizing a person/firm other than the Applicant to apply for MAL
 |  |  |  |
| 1. Notarized Secretary’s Certificate (or equivalent document for foreign applicant) attesting that the Board of Directors (or equivalent management committee in the case of foreign applicant) has approved the application for MAL
 |  |  |  |
| 1. For single proprietorship:
* Copy of Certificate of Business Name Registration

For new partnership/corporation/cooperative: * Proposed Articles of Partnership (AOP)/Articles of Incorporation (AOI)/ Articles of Cooperation (AOC)
* Proposed By-laws
* Proof of approval/reservation of entity name from the Securities and Exchange Commission (SEC)/Cooperative Development Authority (CDA)
* Certification signed by Partners/Incorporators on their approval of the proposed AOP/AOI/AOC and By-laws

For existing partnership/corporation/cooperative:* Proposed amended AOP/AOI/AOC
* Current AOP/AOI/AOC certified by the SEC/CDA
* Proposed amended By-laws
* Notarized and signed Secretary’s Certificate on the approval of the amendments to the AOP/AOI/AOC and By-laws
* General Information Sheet as of the date of meeting when the amendment/s to AOI and/or By-laws was/were approved
* Notarized Secretary’s Certificate on no pending case of intra-corporate dispute
 |  |  |  |
| 1. Business plan, which includes the following minimum information:
	1. Company overview, business model and operational network
	2. Profile of target market/s/clientele/s
	3. Proposed products or services with complete description of its features and transactions/processes, including the security controls and measures. The applicant may also provide a copy of its user manual, terms, and conditions in using its system.
	4. Information whether the proposed products or services are incidental to, or bundled with, any other products or services
	5. Diagram of the configuration of the system/s supporting the proposed products and services, showing the linkages of host systems, network infrastructure, security tools, and disaster recovery set-up
	6. Detailed narrative of funds flow/channels, including transaction/process flowcharts for each product/service offered. The illustrations/diagrams should clearly provide the following information:
* Merchant onboarding/Know-Your-Customer (KYC) and the corresponding due diligence processes
* Description from the start to end of a typical transaction, including the acceptable sources of fund that the applicant will accept until the obligation to its end user/customer is fully discharged
* Illustration of the interactions between the end user/customer and the applicant and the flow of funds
* Timelines for the payment and settlement cycles, including service level agreements with third parties, as applicable and
* Information on the involvement of third parties (e.g., payment service providers, banks, intermediaries, other agents) and their roles in the process
	1. Pricing mechanism and schedule of fees (i.e., merchants, end-users/customers)
	2. Implementation plans, target milestones for business/product launch, including systems, processes, and third parties which will perform key roles in its operations
	3. For applicants that are part of a global payment services group or affiliates of foreign entities under different jurisdiction/s:
* Corporate background
* Conglomerate structure/map where the applicant belongs, and financial and commercial relationship with the Philippine government, local banks, business entities and residents, past and present
* List of domestic and foreign branches, agencies, other offices, subsidiaries, and affiliates and their location and line of business, including range of financial and non-financial products offered to and services performed for clients
* Jurisdictions serviced
* Role of the applicant within the group
* Functions or services it will provide to related corporations/entities within the group/jurisdiction/s served, if any
* Resources shared by the group to support its operations in the Philippines
* Copy of applicable license/registration and status as issued by its foreign regulator/s and
* Enforcement action/investigation including status thereof which the applicant or any of its related entities are parties to
	1. Other activities regulated by the Bangko Sentral which the applicant conducts or intends to conduct (e.g., electronic money, money service businesses, etc.)

The salient points of its business plan shall be included in the deck to be used in the conduct of business model presentation.  |  |  |  |
| 1. Copy of the valid business license/permit indicating the line of business of the applicant from the city or municipality that has territorial jurisdiction over the place of establishment and operation of the applicant for the current period
 |  |  |  |
| 1. Proof of financial capacity
	1. For New Entity: Treasurer's Affidavit supported by proof of payment of contributed/subscribed capital or Bank Certification (for sole proprietorship)
2. For Existing Entity: Latest Audited Financial Statement and Latest Interim Balance Sheet signed by the Owner/Managing Partner/President

The MAL categories and minimum required capital are as follows:

|  |  |  |
| --- | --- | --- |
| Average Monthly Value of Collected Funds Transferred to Merchants in the Applicable period | Category | Minimum Required Capital |
| Less than ₱100 million | A | ₱5 million |
| ₱100 million and above | B | ₱10 million |

 |  |  |  |
| 1. Proof of payment of non-refundable filing fee, whichever is applicable

|  |  |
| --- | --- |
| Category  | Amount |
| A | ₱10,000.00 |
| B | ₱20,000.00 |

 |  |  |  |
| **Additional Documents Submitted, if applicable:** |  |  |  |
| 1. <Insert Document Name>
 |  |  |  |
| 1. <Insert additional row below, as applicable>
 |  |  |  |
| **PHASE 2 Evaluation of application for MAL***A registered OPS-MPAA need not submit item 2 below if the information from previously submitted document during registration remain the same.* |
| 1. Compliance with fitness and propriety requirements by the proprietor, partners, directors, president or officer of equivalent rank and function, and over-all head of the entity and the head of the compliance unit, as the case may be
	1. Personal Data and Authorization Form (Annex B)
	2. National Bureau of Investigation (NBI) Clearance, or its equivalent, if issued in foreign jurisdiction (with validity of at least six (6) months from the date of application)
 |  |  |  |
| 1. Accomplished Certification and Self-Assessment on the Compliance with the Applicable Provisions of Circular No. 1127 on the Governance Policy for OPS (Annex C)
 |  |  |  |
| 1. Risk management policies and procedures covering but not limited to the following critical areas: Information Technology, Information Security, Business Continuity and Operational Risk Management (Annex D)

Please refer to the matrix in Annex D on the minimum required information based on applicable issuances/regulations. The applicant is likewise advised to regularly monitor [the](https://www.bsp.gov.ph/SitePages/Regulations/RegulationsList.aspx?TabId=1) BSP website (Regulations) on additional applicable issuances that may be issued.  |  |  |  |
| 1. Merchant management policies and procedures, including due diligence and approval criteria, onboarding, and monitoring
 |  |  |  |
| 1. Merchant protection policies and procedures, particularly redress mechanism
 |  |  |  |
| 1. Templates of agreements/contracts with merchants, settlement banks, third party providers and other entities that are necessary in the provision of merchant acquisition service, as applicable
 |  |  |  |
| **Additional Documents Submitted, if applicable:** |  |  |  |
| 1. <Insert Document Name>
 |  |  |  |
| 1. <Insert additional row below, as applicable>
 |  |  |  |
| **PHASE 3 Issuance of MAL** |  |  |  |
| If application is approved, proof of payment of licensing fee

|  |  |
| --- | --- |
| Category  | Amount |
| A | ₱25,000.00 |
| B | ₱60,000.00 |

 |  |  |  |
|  |  |  |  |