



MEMORANDUM CIRCULAR NO. 19-006 series of 2019

Date: 13 September 2019
To: FINANCIAL TECHNOLOGY SOLUTIONS AND OFFSHORE
VIRTUAL CURRENCY EXCHANGE (FTSOVCE) LICENSEES
Subject: Submission of reports and other information

WHEREAS, Section 39 of the *Financial Technology Solutions and Offshore Virtual Currency Business Rules and Regulations of 2018 of the Cagayan Economic Zone Authority (CEZA FTSOVCBRR of 2018)*

*Section 39. Books, Reports, and Audit – Within thirty (30) days from the issuance of the Provisional License, a Licensee shall have **integrated and shall maintain connection with the CEZA Central Audit System** and preserve all books and records relating to their Financial Technology Solutions, and or Offshore Virtual Currency Business Activities and operations throughout the effectivity of their License and up to three (3) years after the expiration of their license or until the expiration of the period mandated by CEZA or final orders of a proper court.*

Within five (5) days from the end of each month, each Licensee shall submit a return to the CEZA, in a form approved by CEZA, indicating the amounts paid in relation to the Transaction Fee Sharing and other prescribed information by the CEZA.

*Each Licensee shall also submit **financial reports and reports on its Compliance Programs** to CEZA within Forty-five (45) calendar days following the close of the Licensee's fiscal quarter, in the form and contents prescribed by CEZA, through the Office of the Administrator.*

*A licensee shall not submit or maintain any information that is false or misleading in any material particular in its records, books, and/or report. **Special Reports required by the CEZA shall be in an approved form and be submitted at the time stated in the respective notice.** XXX [emphasis supplied]*

*Section 42. Investigation of Licensee – The CEZA may, at any time, conduct the investigations and **make the inquiries which CEZA considers necessary to determine whether a Licensee:***

- a.) Is a suitable person to continue to hold a License or;*
 - b.) Is complying with the provisions of this CEZA FTSOVCBRR of 2018.*
- XXX [emphasis supplied]

WHEREAS, there is a need to reiterate and refine the above undertaking of each FTSOVCE Licensee to submit information and periodic reports to the CEZA.

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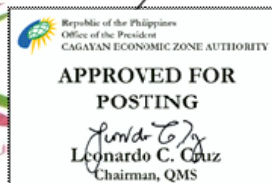
Email: info@ceza.gov.ph

Website: www.ceza.gov.ph

Cagayan Offices: **Centro, Santa Ana, Cagayan 3514** - Tel. (632) 703-7360

Regional Government Center, Carig Sur,

Tuguegarao, Cagayan 3500 - Tel. (632) 533-3439





THEREFORE, in consideration of the above premises, all FTSOVCE licensees are hereby **DIRECTED** to furnish CEZA a comprehensive report, signed by its authorized representative, within fifteen (15) calendar days that shall contain information on:

1. Basic information about its employees/staff such as name, citizenship, employment contracts (and their validity), passports, visas, and other related documents;
2. Location/s of operations in the Philippines, including the presence of connected/affiliated companies in the Philippines;
3. The nature, volume, and/or projections of any and all business operations conducted by the licensee, as may be applicable;
4. Payment report for the Monthly Recurring Fee and/or undertaking to be up to date of its accounts, as may be applicable; and
5. For licensees operating cryptocurrency exchanges, a report on the integration status with *iWave*.

Licensees are reminded that pursuant to Section 20 of the CEZA FTSOVCBRR of 2018, failure to comply with this directive may subject them to sanctions that may include monetary penalties and/or suspension or cancellation of license.

For strict compliance.

CAGAYAN ECONOMIC ZONE AUTHORITY

By:



SECRETARY RAUL L. LAMBINO
Administrator and CEO



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