



PHILIFINTECH INNOVATION OFFICE

Securities And Exchange Commission – Stratbox Application Form

Introduction

Through the PhiliFintech Innovation Office (PhiliFINNO), the Commission takes a proactive role in encouraging and supporting Financial technology innovation in the Philippines. To create better-informed policies for the regulation of new and existing fintech, the PhiliFINNO established a regulatory sandbox that may enable firms to explore innovation, test their product or services in a live setting, and eventually adopt the technology to develop a richer financial market. The establishment of a regulatory sandbox framework will stimulate the development of a vibrant and inclusive digital economy in the Philippines.

Please read the SEC Stratbox guidelines which provides for the eligibility criteria that we will use to assess the requests, procedure and disclaimer when we give our insights. Once completed, you can send your request to the PhiliFintech Innovation Office (fintech@sec.gov.ph).

SEC Stratbox Guidelines

Application Form

The submission of the SEC Stratbox Application Form will serve as a starting point for us to evaluate applications based on the eligibility criteria, the completeness and complexity of the submission, and the specific legal and regulatory implications.

SEC STRATBOX APPLICATION FORM

1. Applicant’s Information

Corporation Name	
SEC Registration Number	
Address	
Contact Number	

Name of Authorized Representative	
Designation	
Email	
Contact Number	

2. Overview

		Response
1	Provide a brief description of the organization and its core business/es.	
2	Provide a brief description of the proposed business model, financial product, or service to be experimented with in the sandbox.	
3	Do you have the relevant license to deploy the proposed financial product or service to the public? Please provide the details and specify from which regulator.	
4	Does the business model, product, or service require the SEC to relax or modify any specific regulatory requirements prescribed by SEC, for the duration of the sandbox? If yes, please provide the details.	
5	Does the business model, product, or service exist in other jurisdictions? Please provide details on how it is regulated.	

3. Details of the proposal to support the sandbox evaluation criteria. Refer to Section 5 of MC 9 -2024.

Criteria	Requirements	Supporting Information or Attachments
Section 5.1	i. The technology and innovative ways in which the technology will be applied, including a comparison of the key features against similar or competing technologies, or manner in which competing financial services are operating.	
	ii. Benefits of the proposed financial service, such as improvements in security, customer experience, cost efficiency, operational efficiency, expansion into new market segments, or others. Provide quantifiable estimations where applicable.	
Section 5.2	i. Brief position explaining that the business model, financial product, or service is not prohibited by any laws in the Philippines.	
Sections 5.3, 5.4, & 5.5	i. Assessment of the suitability and readiness of the proposed financial service for the Philippine market, including a brief comparison against similar markets globally.	

Criteria	Requirements	Supporting Information or Attachments
	ii. Brief overview of the business strategy and plan, including the roadmap to continue development in the Philippines. The business plan should also address the gaps (if any) in meeting the relevant legal and regulatory requirements after exiting the sandbox.	
	iii. Financial standing of the applicant, including any funding raised from investors.	
	iv. Relevant technical and business domain knowledge and experience of the applicant.	
Section 5.6, 5.7, & 5.8	i. Test scenarios aimed at removing the uncertainty which could be arising from regulatory, technology or business model, and could not be reasonably or effectively simulated in a test environment.	
	ii. Appropriate targets which allow SEC and the applicant to assess whether the test outcomes have been achieved.	
	iii. Boundary conditions for the sandbox (with justifications), such as: ● Start and end date of the sandbox ● Target customer type; ● Limit on the number of customers involved; ● Other quantifiable limits such as transaction thresholds or cash holding limits.	

Criteria	Requirements	Supporting Information or Attachments
	iv. Processes and controls to ensure that the boundary conditions are not breached.	
Section 5.9 & 5.10	i. Quantification of the maximum loss and impact that the proposal could potentially create, including any potential indirect effects.	
	ii. Channels for handling customer queries, feedback or complaints.	
	iii. Monitoring plan to ensure the prompt notification of any breach, for example, breach of the sandbox test scenarios, boundary conditions or safeguards, to SEC.	
	iv. Risk mitigation plan to minimize the impact of failure on customers and the broader financial ecosystem.	
	v. Exit and transition plan for customers, in the event that the proposed financial service has to be discontinued, or can proceed to be deployed on a broader scale after exiting the sandbox.	
	vi. Communications plan to inform customers, including: - the duration, boundary conditions and associated risk disclosure for participating in the sandbox; - advance notification of the termination or extension of the sandbox, or when the proposed financial service can proceed to be deployed on a broader scale.	