

[DOT, November 10, 1999]

**RULES AND REGULATIONS TO GOVERN THE ACCREDITATION OF
FOREIGN EXCHANGE DEALERS**

Pursuant to the Provisions of Executive Order No 120 dated January 30, 1987, the Following Rules and Regulations Are Hereby Promulgated to Govern the Accreditation of Foreign Exchange Dealers.

**CHAPTER I
Definition of Terms**

SECTION 1. Definition of terms — When used in these rules, the following terms shall, unless the context otherwise indicates, have the following meaning:

- A. FOREIGN EXCHANGE — refers to currency notes/coins issued by foreign governments; instruments of payment of funds, held in foreign banks abroad and denominated in foreign currency.
- B. FOREIGN EXCHANGE DEALER — any establishment engaged in buying and selling foreign currency to foreign or local tourists.
- C. DEPARTMENT — the Department of Tourism
- D. ACCREDITATION — a certification issued by the Department that the holder is recognized by the Department as having complied with its minimum standards in the operation of the establishment concerned.

**CHAPTER II
Minimum Requirements for the Accreditation of Foreign Exchange Dealers**

SECTION 1. Minimum Requirements — For purpose of accreditation, the following are the minimum office requirements for the establishment, operation and maintenance of Foreign Exchange Dealers.

- A. The Foreign Exchange establishment shall be located in a commercial district with pleasant and decent atmosphere;
- B. It shall be located at the ground floor of a building;
- C. It shall be easily indentifiable with a signage and shall be used exclusively for foreign exchange business;
- D. It shall conspicuously display the foreign currency exchange rates and its business hours of operation;
- E. It shall be presentable and air-conditioned except in areas which are at least 3,000 feet above sea level;

- F. It shall be provided with a lounging area with adequate seating and telephone facilities;
- G. It shall be manned by well-groomed and courteous staff with clean uniform at all times;
- H. It shall be properly maintained, kept clean and secured at all times;
- I. It shall be provided with fire-fighting facilities in accordance with the Fire Code of the Philippines; and
- J. Such other requirements as may be imposed by the Department or other concerned agencies.

CHAPTER III

Application for Accreditation

SECTION 1. *Who May Apply* — The following may apply for accreditation as Foreign Exchange Dealer.

- A. A resident Filipino citizen registered as a single proprietorship;
- B. A partnership organized under the laws of the Philippines, at least 60% of its capital is owned by Filipino citizens; and
- C. A corporation organized under the laws of the Philippines, at least 60% of the subscribed common or voting shares of stock of which is owned by Filipino citizens and the composition of its Board of Directors being at least 60% Filipinos.

SECTION 2. *Filing of Application* — Any person, partnership or corporation desiring to operate and/or engage in the business of Foreign Exchange shall accomplish and file with the Department, the application for accreditation prescribed for such purpose.

SECTION 3. *Documents Required to Support Application for Accreditation of Foreign Exchange Dealer* — The application shall be accompanied by the following documents:

- A. In the case of single proprietorship, a certified true copy of its business name certificate and all amendments thereto duly registered with the Bureau of Trade Regulation and Consumer Protection, Department of Trade and Industry. In the case of corporation or partnership, a certified true copy of the articles of incorporation/partnership and its by-laws and all amendments thereto, duly registered with the Securities and Exchange Commission;
- B. Appropriate mayor's permit and/or municipal license;
- C. Certificate of registration from the Bureau of Internal Revenue as a foreign exchange dealer;
- D. Resolution of the Board of Directors of the corporation authorizing the filing of the application and designating the person authorized to sign and transact business with the Department. If single proprietorship or partnership, a letter of authority from the owner/partners;

- E. Complete list of all of its officers and employees indicating therein their nationality, home address and position, certified correct under oath by the General Manager/Owner;
- F. A copy of the police and NBI clearance of the proprietor and manager;
- G. For alien officers and employees, valid visa from the Bureau of Immigration and the proper permit from the Department of Labor and Employment;
- H. Latest Income Tax Return and Audited Financial Statements;
- I. Proof of ownership or contract of lease or contract to lease the office space intended for the use of Foreign Exchange Dealership; and
- J. Such other documents as may be required from time to time by the Department.

CHAPTER IV

Issuance of Accreditation

SECTION 1. Issuance of Certificate of Accreditation — If the applicant has satisfactorily complied with the minimum standards and the prescribed requirements, the Department shall issue the Certificate of Accreditation in favor of the applicant.

SECTION 2. Validity of Accreditation — The Accreditation duly issued to any Foreign Exchange Dealer shall be valid for a period of one (1) year from its date of issue, unless sooner revoked or cancelled for cause by the Department.

SECTION 3. Accreditation Fee — An annual accreditation fee of Five Hundred (P500.00) shall be collected from the applicant that have complied with the requirements for accreditation.

SECTION 4. Display of Certificate of Accreditation — The Certificate of Accreditation shall be displayed in a conspicuous place of the establishment.

SECTION 5. Non-transferability of Certificate of Accreditation — The rights and privileges granted under accreditation shall be non-transferable.

SECTION 6. DOT Stickers — DOT stickers shall be issued to all accredited foreign exchange dealer upon payment of Eighty (P80.00) Pesos which validity shall be co-terminous with the establishment's accreditation.

SECTION 7. Request for Department Identification Cards — The Department Identification Cards shall be issued to officers or employees of Foreign Exchange Dealer upon request subject to payment of a nominal fee; Provided, that said employees or officers are included in the list of personnel of the operator concerned.

SECTION 8. Surrender of ID Card — The proprietor or manager shall, within seven (7) days notify the Department of officers and employees who have ceased to be employed from their firm and shall surrender said officers'/employees' ID cards.

CHAPTER V

Inspection