

Appendix

How commonly Philippines-based lenders require documents as part of a loan application: We've divided this up into four sub-cases: where the applicant's income is based on business revenue vs a salary; where the bank's risk exposure is low vs high (meaning where low-exposure means when loan capital is low (typically below PHP50k or PHP100k), or applicant risk is low (for example, they are an existing client or exhibit other low-risk profile elements) compared with cases high-exposure means when loan capital is high, or applicant risk profile is high):

		Salary Income-based loan		Business Income-based loan	
		Low- exposure	High- exposure	Low- exposure	High- exposure
Personal Identity Verification					
Picture ID (front)	100%		100%	100%	100%
Picture ID (back)	100%		100%	100%	100%
Birth certificate	0%		5% (only if place of birth must be confirmed)	0%	5% (only if place of birth must be confirmed)
Selfie (for matching to ID)	50%		100%	50%	100%
Marriage contract	5%		50% if applicable (married)	5%	50% if applicable (married)
Residence verification					
Proof of Billing/Proof of residential address	30% (require one of any of these docs)		100%	30% (require one of any of these docs)	100%
Electricity Bill			100% (require one of any of these docs)		100% (require one of any of these docs)
Internet Bill					
Water Bill					
Credit card statement					
Barangay Certificate: residency					
Lease contract			20% (if home ownership is a requirement)		20% (if home ownership is a requirement)
House Title					
Income Verification: Salary income					
Payslip(s)	50%*	50%*	85%**	15%**	N/A
Bank statement(s)	50%*		85%**		
BIR Form 2316 = Certificate of Compensation Payment/ Tax Withheld (ie Income Tax Return)	50%*		85%**		
Certificate of Employment (Employment confirmation letter)	70%***		100%		
Employee ID card (Staff ID)			100%		
Employment contract	0%		15%		
Proof of remittance	70% (if applicable)		100% (if applicable)		

Business Identity Verification									
Mayor's permit		N/A		100%		100%			
BIR certificate (BIR 2303)				70%		100%			
Barangay Certificate: business clearance				40%		100%			
Annual Income tax return				0%		50%			
IF Sole Proprietorship (i.e. SME loan to individuals)	DTI certificate			70%		100%			
IF Partnership:	SEC Certificate of Partnership			30%		70%			
	Articles of Partnership			30%		70%			
	Board Resolution or Secretary Certificate authorizing representative			30%		70%			
IF Corporation:	SEC Certificate of Incorporation			30%		70%			
	Articles of Incorporation			30%		70%			
	General Information Sheet (GIS)			30%		70%			
	Board Resolution or Secretary Certificate authorizing representative			30%		100%			
	By-laws			0%		30%			
Income Verification: Business Income									
BIR Form 1701 (Income tax return)		N/A		0%		20% (if applicable)			
Photo of business				90%		100%***			
Video tour of business				20%					
Invoices/Receipts				0%		20%			
Inventory list				0%		10%			
Photo of inventory				20%		100%			
Evidence of web presence				20% (except 100% for online sellers)		50% (except 100% for online sellers)			
Trade references: suppliers				50%†		50%†		70%‡	
Trade references: customers				50%†				70%‡	
Collateral documents (if collateralized)									
IF land	Land Title	100%	100%§	100%	100%§				
	Tax declaration for real property	0%	100%	0%	100%				
IF vehicle	Official Receipt (OR)	100%	100%	100%	100%				
	Certificate of Registration (CR)	100%	100%	100%	100%				

* 50% of lenders require ALL of these docs, 50% require ANY ONE of these docs. Number of statements varies from 1 to 6 (for example, 3 monthly bank statements or 3 payslips).

** 85% of lenders require ALL of these docs, 15% require ANY ONE of these docs. Number of statements required varies from 3 to 12 (depending on low/high exposure),

*** Either one accepted.

† 50% of lenders require both supplier and customer references, 50% require either. Number of references varies from 1 to 3.

‡ 70% of lenders require both supplier and customer references, 30% require either. Typically 3 required.

§ CTS only required when ownership has recently changed but updated title not yet issued.