



Philippine
Overseas
Employment
Administration

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MEMORANDUM CIRCULAR NO. 03
Series of 2017

TO : ALL LANDBASED AND SEABASED AGENCIES

SUBJECT: **Increase in Capitalization/Paid-Up Capital**

The 2016 POEA Revised Rules and Regulations Governing the Recruitment and Employment of Landbased Overseas Filipino Workers/ Seafarers particularly Section 2 Rule I Part II provides that:

" x x x Those with existing licenses shall, within four (4) years from effectivity hereof, increase their capitalization or paid up capital, as the case may be, to Five Million Pesos (PhP5,000,000.00) at the rate of Seven Hundred Fifty Thousand Pesos (PhP750,000.00) every year."

In line with this, all landbased and seabased agencies are directed to submit the following as proof of compliance for the yearly increase of capitalization/paid-up capital:

A. For corporations and partnerships

1. Treasurer's Affidavit on the additional authorized subscribed and paid-up capital stock requirements/Joint Affidavit of partners on the additional partners' contribution;
2. Bank certification showing an additional deposit of at least PhP750,000.00, with authority to examine the bank account;
3. Amended Articles of Partnership/Incorporation providing for the increase of the authorized/paid up capital to a minimum of Five Million Pesos (PhP5,000,000.00); and
4. Certification issued by the Securities and Exchange Commission (SEC) on the current paid-up capital of the corporation/partnership showing the increase of at least PhP750,000.00.

B. For single proprietorship

Bank certificate showing a deposit of at least PhP750,000.00, with authority to examine the bank account.

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BY CRD ON 04 APR 2017

Deadline of submission for the first yearly increase for landbased agencies is on or before **April 28, 2017**, while for the seabased agencies is on or before **September 4, 2017**. Agencies are directed to subsequently comply with the yearly increase of Php750,000. until the minimum capitalization of P5million is fully completed.

On the other hand, agencies that have fully complied with the required capitalization/paid up capital are directed to submit a Certification issued by the SEC on the present paid-up capital of the corporation/partnership, or the bank certificate, in the case of single proprietorship.

Agencies that fail to comply with the requirement shall be meted with suspension of license in accordance with Section 41(c)/Section 42(c) Rule III Part II of both POEA Rules.

For strict compliance.



ARISTODES R. RUARO

Officer-in-Charge and Deputy Administrator

28 March 2017

CONTROLLED AND DISSEMINATED
BY CRD ON 04 APR 2017