



MEMORANDUM – 2016-005

To : The Investing Public

Subject : Publication of Disciplinary Actions

Date : 22 January 2016

In compliance with the Capital Markets Integrity Corporation (CMIC) Rules, requiring the publication of a list of Trading Participants (TPs) made subject to disciplinary actions, and which regular and periodic audits did not result in any examination findings, CMIC attaches to this memorandum the following:

1. Summary of Audit Findings and Sanctions on TPs subject to Annual Regulatory Audit for 2015 (**Annex "A"**);
2. Summary of Fully Compliant TPs subject to Annual Regulatory Audit for 2015 (**Annex "B"**);
3. Summary of Audit Findings and Sanctions on TPs subject to Spot Audit for the Period August 2014 to June 2015 (**Annex "C"**);
4. Summary of Fully Compliant TPs subject to Spot Audit for the Period August 2014 to June 2015 (**Annex "D"**); and,
5. Summary of Investigation Findings and Sanctions against TPs in 2015 (**Annex "E"**).

For information and guidance.


CORNELIO C. GISON
President 

ANNEX A
AUDIT FINDINGS AND SANCTIONS
2015 ANNUAL REGULATORY AUDIT
AS OF 19 JANUARY 2016

	TRADING PARTICIPANT	RULE/S VIOLATED	SANCTION/S IMPOSED	STATUS
1	Asiasec Equities, Inc. (AEI)	Article V, Section 4 of the CMIC Rules – <i>Rules on Trading for One’s Personal Account</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
		Article VII, Section 6 of the CMIC Rules in relation to SRC Rule 48.1-1 – <i>Margin Accounts</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
		Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) – <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
2	DA Market Securities, Inc. (DMSI)	Article IV, Section 20 (c) of the Revised Trading Rules – <i>Error Transactions</i>	Written reprimand (<i>First violation</i>) Monetary penalty (<i>succeeding violations</i>); all with a directive to comply with the requirements of the Rule.	Final and executory
		Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) – <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory

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3	Diversified Securities, Inc. (DSI)	Article VII, Section 10 (d) of the CMIC Rules – <i>Determination of Good Delivery</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
		Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) – <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
4	IGC Securities, Inc. (ISI)	Article V, Section 4 of the CMIC Rules – <i>Rules on Trading for One's Personal Account</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Appealed to the Securities and Exchange Commission
		Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) – <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Appealed to the Securities and Exchange Commission
5	Summit Securities, Inc. (SSI)	Article VII, Section 19 of the CMIC Rules in relation to Annex 49.2-B of SRC Rule 49.2 – <i>Special Reserve Account for the Exclusive Benefit of Customers</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
		Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) – <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory

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			requirements of the Rule	
6	SB Equities, Inc. (SEI)	Article VII, Section 23 of the CMIC Rules – <i>Lending and Voting Customer Securities</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Appealed to CMIC Board
		Article IV, Section 20 (c) of the Revised Trading Rules – <i>Error Transactions</i>	Written reprimand (<i>First violation</i>) Monetary penalty (<i>succeeding violations</i>); all with a directive to comply with the requirements of the Rule.	Appealed to CMIC Board
		Article IV, Section 1 (d) of the Revised Trading Rules – <i>Give-up/Take-up Transactions</i>	Written reprimand with a directive to comply with the requirements of the Rule	Appealed to CMIC Board
		Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) – <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Appealed to CMIC Board
7	Timson Securities, Inc. (TSI)	Article V, Section 4 of the CMIC Rules – <i>Rules on Trading for One's Personal Account</i>	Monetary penalty and a directive to comply with the	Appealed to CMIC Board

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			requirements of the Rule	
		Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) – <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Appealed to CMIC Board

ANNEX B
FULLY COMPLIANT TPs
2015 ANNUAL REGULATORY AUDIT
AS OF 19 JANUARY 2016

- 1 A.T. De Castro Securities Corporation
- 2 AAA Southeast Equities, Inc.
- 3 AB Capital Securities, Inc.
- 4 Abacus Securities Corporation
- 5 Alakor Securities Corporation
- 6 Alpha Securities Corporation
- 7 AP Securities, Inc. (*formerly Angping & Associates Securities, Inc.*)
- 8 Apex Phils. Equities Corporation
- 9 Armstrong Securities, Inc.
- 10 Asia Pacific Capital Equities & Securities Corporation
- 11 Astra Securities Corporation
- 12 ATC Securities, Inc.
- 13 Aurora Securities, Inc.
- 14 BA Securities, Inc.
- 15 BDO Securities Corporation
- 16 Belson Securities, Inc.
- 17 Benjamin Co Ca & Co., Inc.
- 18 BPI Securities Corporation
- 19 Campos, Lanuza & Co., Inc.
- 20 Century Securities Corporation
- 21 Citisecurities, Inc.
- 22 CLSA Phils., Inc.
- 23 Coherco Securities, Inc.
- 24 COL Financial Group, Inc.
- 25 Credit Suisse Securities (Philippines), Inc.
- 26 Cualoping Securities Corporation
- 27 David Go Securities Corporation
- 28 DBP-Daiwa Capital Markets Philippines, Inc.
- 29 Deutsche Regis Partners, Inc.
- 30 DW Capital, Inc.
- 31 E. Chua Chiaco Securities, Inc.
- 32 Eagle Equities, Inc.
- 33 Eastern Securities Development Corporation
- 34 Eastwest Capital Corporation
- 35 Equitiworld Securities, Inc.
- 36 Evergreen Stock Brokerage & Securities, Inc.
- 37 F. Yap Securities, Inc.

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- 38 Fidelity Securities, Inc.
- 39 First Integrated Capital Securities, Inc.
- 40 First Metro Securities Brokerage Corporation
- 41 First Orient Securities, Inc.
- 42 G.D. Tan & Co., Inc.
- 43 Globalinks Securities & Stocks, Inc.
- 44 Golden Tower Securities & Holdings, Inc.
- 45 Goldstar Securities, Inc.
- 46 Guild Securities, Inc.
- 47 H.E. Bennett Securities, Inc.
- 48 HDI Securities, Inc.
- 49 I.B. Gimenez Securities, Inc.
- 50 Imperial, De Guzman, Abalos & Co. Inc.
- 51 Intra-Invest Securities, Inc.
- 52 Investors Securities, Inc.
- 53 J.M. Barcelon & Co., Inc.
- 54 J.P. Morgan Securities Philippines, Inc.
- 55 Jaka Securities Corporation
- 56 JSG Securities, Inc.
- 57 King's Power Securities, Inc.
- 58 Larrgo Securities Company, Inc.
- 59 Litonjua Securities, Inc.
- 60 Lopez, Locsin, Ledesma & Company, Inc.
- 61 Lucky Securities, Inc.
- 62 Luy's Securities Company, Inc.
- 63 Macquarie Securities (Phil.), Inc.
- 64 Mandarin Securities Corporation
- 65 Marian Securities, Inc.
- 66 Maybank ATR Kim-Eng Securities, Inc.
- 67 Mercantile Securities Corporation
- 68 Meridian Securities, Inc.
- 69 Mount Peak Securities, Inc.
- 70 New World Securities Co., Inc.
- 71 Optimum Securities Corporation
- 72 Pan Asia Securities Corporation
- 73 PCIB Securities, Inc.
- 74 Philippine Equity Partners, Inc.

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- 75 Phil-Progress Securities Corporation
- Philstocks Financial, Inc. (*formerly Accord Capital Equities*
- 76 *Corporation*)
- 77 Platinum Securities, Inc.
- 78 PNB Securities, Inc.
- 79 Premium Securities, Inc.
- 80 Quality Investment & Securities Corporation
- 81 R & L Investments, Inc.
- 82 R. Coyiuto Securities, Inc.
- 83 R. Nubla Securities, Inc.
- 84 R.S. Lim & Company, Inc.
- 85 RCBC Securities, Inc.
- 86 Salisbury BKT Securities Corporation
- 87 Sarangani Securities, Inc.
- 88 Securities Specialists, Inc.
- 89 Sincere Securities Corporation¹
- 90 Solar Securities, Inc.
- 91 Standard Securities Corporation
- 92 Star Alliance Securities Corporation
- 93 Strategic Equities Corporation
- 94 Sunsecurities, Inc.
- 95 Supreme Stockbrokers, Inc.
- 96 Tansengco & Co., Inc.
- 97 The First Resources Management & Securities Corporation
- 98 Tower Securities, Inc.
- 99 Trans-Asia Securities, Inc.
- 100 Tri-State Securities, Inc.
- 101 Triton Securities Corporation
- 102 UBS Securities Philippines, Inc.
- 103 UCPB Securities, Inc.
- 104 Unicapital Securities, Inc.
- 105 Uob-Kay Hian Securities (Phils.), Inc.
- 106 UPCC Securities Corporation
- 107 Value Quest Securities Corporation

¹ For the period 30 April 2014 to 31 March 2015, the Risk Management Unit (RMU) of CMIC found that SSC violated Articles VIII-C, Section 2 & Article VI, Section 2 of the CMIC Rules. Thus, on 14 May 2015, CMIC imposed monetary penalties for failure to comply with the abovementioned rules. Since, the RMU has already imposed such penalties, the Regular Examination Unit (REU), relative to the 2015 Annual Regulatory Audit, decided not to impose penalties with respect to the above rules.

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- 108 Venture Securities, Inc.
- 109 Vicsal Securities & Stock Brokerage, Inc.
- 110 Wealth Securities, Inc.
- 111 Westlink Global Equities, Inc.
- 112 Wong Securities Corporation
- 113 Yao & Zialcita, Inc.
- 114 Yu & Company, Inc.

ANNEX C
AUDIT FINDINGS AND SANCTIONS
SPOT AUDIT
FOR THE PERIOD AUGUST 2014 - JUNE 2015

	DATE OF RBCA REPORT	TRADING PARTICIPANT	RULE/S VIOLATED	SANCTION/S IMPOSED	STATUS
1	31 October 2014	Philstocks Financial, Inc. (formerly <i>Accord Capital Equities Corporation</i>) (PFI)	Article VII, Section 19 of the CMIC Rules - <i>Special Reserve Bank Account for the Exclusive Benefit of Customers</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
			Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) - <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
2	31 October 2014	UPCC Securities Corporation (USC)	Article VII, Section 19 of the CMIC Rules - <i>Special Reserve Bank Account for the Exclusive Benefit of Customers</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
			Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) - <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
3	31 March 2015	Sincere Securities Corporation (SSC)	Article VIII-C, Section 2 of the CMIC Rules - <i>Minimum Paid-up Capital Requirement</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Final and executory
			Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) -	Monetary penalty and a directive to comply with the	Final and executory

ANNEX C
AUDIT FINDINGS AND SANCTIONS
SPOT AUDIT
FOR THE PERIOD AUGUST 2014 - JUNE 2015

	DATE OF RBCA REPORT	TRADING PARTICIPANT	RULE/S VIOLATED	SANCTION/S IMPOSED	STATUS
			<i>Supervision; Duties of an Associated Person</i>	requirements of the Rule	
4	31 May 2015	Timson Securities, Inc. (TSI)	Article VIII-C, Section 2 of the CMIC Rules – <i>Minimum Paid-up Capital Requirement</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Appealed to the Securities and Exchange Commission
			Article VI, Section 2 of the CMIC Rules in relation to SRC Rule 28.1 (4) (G) – <i>Supervision; Duties of an Associated Person</i>	Monetary penalty and a directive to comply with the requirements of the Rule	Appealed to the Securities and Exchange Commission

ANNEX D
FULLY COMPLIANT TPs
SPOT AUDIT
FOR THE PERIOD AUGUST 2014 - JUNE 2015

MONTH	TRADING PARTICIPANT
AUGUST 2014	Ansaldo, Godinez & Company, Inc. Mercantile Securities Corporation SB Equities, Inc. Timson Securities, Inc. Vsec.Com, Inc.
SEPTEMBER 2014	Astra Securities Corporation Bernad Securities, Inc. Coherco Securities, Inc. Francisco Ortigas Securities, Inc. Wealth Securities, Inc.
OCTOBER 2014	Eastern Securities Development Corp. Securities Specialists, Inc. Westlink Global Equities, Inc.
NOVEMBER 2014	DA Market Securities, Inc. King's Power Securities, Inc. Papa Securities Corporation Star Alliance Securities Corp. Supreme Stockbroker, Inc.
DECEMBER 2014	Accord Capital Equities Corporation Citisecurities, Inc. First Integrated Capital Sec., Inc. Sincere Securities Corporation Unicapital Securities, Inc.
JANUARY 2015	BPI Securities Corporation Coherco Securities, Inc. First Metro Securities Brokerage Corporation Litonjua Securities, Inc. Regina Capital Development Corporation
FEBRUARY 2015	H.E. Bennett Securities, Inc. Venture Securities, Inc.
MARCH 2015	Aurora Securities, Inc. PNB Securities, Inc. Quality Investment & Securities Corporation Vsec.Com, Inc. Yao & Zialcita, Inc.
APRIL 2015	Century Securities Corporation King's Power Securities, Inc. Mercantile Securities Corporation Star Alliance Securities Corporation

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MONTH	TRADING PARTICIPANT
MAY 2015	AAA Southeast Equities, Inc. Bernad Securities, Inc. Litonjua Securities, Inc.
JUNE 2015	Belson Securities, Inc. Sincere Securities Corporation

SUMMARY OF INVESTIGATION FINDINGS AND SANCTIONS AGAINST TRADING PARTICIPANTS IN 2015

	TRADING PARTICIPANT	RULE/S VIOLATED	PENALTY/IES IMPOSED	STATUS
1	HDI Securities, Inc.	Article XV of the Implementing Guidelines of the Revised Trading Rules Article VII, Section 1(o) of the CMIC Rules, in relation to Article VI, Section 1(b)(iv)(a) of the CMIC Rules	Written reprimand Monetary penalty	Final and executory
2	RCBC Securities, Inc.	Article VI, Section 1 (b) (ii), of the CMIC Rules	Monetary penalty	Final and executory
3	Luy's Securities Company, Inc.	Article VI, Section 1 of the CMIC Rules Article VII, Section 1 (d) and (i) of the CMIC Rules Article VII, Section 2 (e) of the CMIC Rules	Monetary penalty Monetary penalty Monetary penalty	Final and executory
4	Tower Securities, Inc.	Article VII, Section 1(q) of the CMIC Rules, in relation to Article IV, Section 19 of the Revised Trading Rules and Article XV of the Implementing Guidelines of the Revised Trading Rules	Monetary penalty	Final and executory
5	Asiasec Equities, Inc.	Article VII, Section 1 (q) of the CMIC Rules, in relation to Article XV, Section 3 (d) and Article XVI, Section 1 of the Implementing Guidelines of the PSE Revised Trading Rules	Monetary penalty	Final and executory
6	BPI Securities Corporation	Article VII, Section 1 (n) and (o) of the CMIC Rules	Written reprimand	Final and executory
7	Unicapital Securities, Inc.	Article VII, Section 1(q) of the CMIC Rules, in relation to Article IV, Section 19 of the Revised Trading Rules and Annex-A, XV, paragraph 3(d) of the Implementing Guidelines of the Revised Trading Rules	Written reprimand	Final and executory
8	First Metro Securities Brokerage Corporation	Article VII, Section 1 (q) of the CMIC Rules, in relation to Article IV, Sections 4 and 19 of the Revised Trading Rules, and Articles XV and XVI of the Implementing Guidelines of the Revised Trading Rules,	Written reprimand	Final and executory