



## MEMORANDUM – 2017-025

**To :** All Trading Participants

**Subject :** Submission of Data for 2018 Risk Assessment and Other Reports

**Date :** 03 November 2017

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In connection with the Capital Markets Integrity Corporation's (CMIC) risk assessment of all Trading Participants (TPs) for the conduct of the 2018 Annual Regulatory Examination, the TPs are directed to provide the necessary details in the document attached hereto as **Annex "A"**. The completed forms must be submitted via electronic mail to CMIC ([acd@cmic.com.ph](mailto:acd@cmic.com.ph)) not later than **08 November 2017**.

Further, in reference to Securities and Exchange Commission (SEC) Memorandum Circular No. 3, Series of 2007, the TPs are requested to submit not later than 29 November 2017 their 2017 and 2018 internal training programs to CMIC, via e-mail ([repulga@cmic.com.ph](mailto:repulga@cmic.com.ph)). The prescribed period for the submission of the internal training programs has been set in order to facilitate the timely submission by CMIC of the above training programs to SEC by 30 January 2018, in accordance with the above circular.

Details of the training programs shall include, among others, the following information:

- a. 2017 Internal Training Program
  - i. Seminar topics (with brief description)
  - ii. Seminar dates
  - iii. Number of participants
  - iv. Resource speaker/s
- b. 2018 Internal Training Program
  - i. Projected seminar topics (with brief description)
  - ii. Projected seminar dates
  - iii. Target participants

iv. Target resource speaker/s

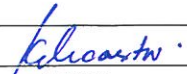
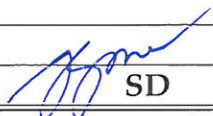

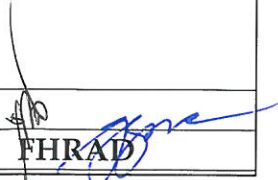
The abovementioned reports should be signed by the TP's President or Associated Person.

Finally, all TPs are reminded of the deadlines for submission of various reports as indicated in CMIC Memorandum-2017-001, a copy of which is hereto attached.

For your compliance.

Very truly yours,

  
DAISY P. ARCE  
President

			
ACD	SD	IED	FHRAD

**ANNEX A**

**SUBJECT** : DATA FOR 2018 RISK ASSESSMENT OF ALL TRADING PARTICIPANTS (TPs)

**CUTOFF DATE** : 31 OCTOBER 2017

Broker Code	
Name of Trading Participant	
Total Market Value of all Customers' Security Positions as of cut-off date	
Total Number of TP's Active Clients as of cut-off date	
Total Current Assets as of cut-off date	

I hereby attest to the truthfulness and veracity of the foregoing information.

\_\_\_\_\_  
Name of Associated Person

\_\_\_\_\_  
A.P. License No.

\_\_\_\_\_  
Date



## MEMORANDUM – 2017-001

TO : ALL TRADING PARTICIPANTS

SUBJECT : DEADLINE FOR SUBMISSION OF VARIOUS REPORTS

DATE : 03 JANUARY 2017

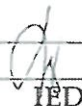
We are reminding all Trading Participants (TPs) to comply with the deadlines for the submission of various reports to the Capital Markets Integrity Corporation (CMIC) as set forth in the succeeding pages.

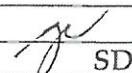
For strict compliance.

  
CORNELIO C. GISON  
President

  
ACD

  
FHRAD

  
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<i>CMIC Requirements</i>	<i>Deadline</i>
Monthly RBCA Report	<p><b>New SRC-IRR:</b></p> <p>1<sup>st</sup> to 15<sup>th</sup> of current month: 20<sup>th</sup> of the current month</p> <p>16<sup>th</sup> to 30<sup>th</sup>/31<sup>st</sup> of the current month: 5<sup>th</sup> of the succeeding month</p> <p><b>Old SRC-IRR:</b></p> <p>As of 31<sup>st</sup> of the current month: 10<sup>th</sup> of the succeeding month</p>
Pledge of Commitment for <u>NEW</u> salesmen, traders, dealers, agents, and Associated Persons	First Friday of January
List of Directors, Officers, Agents, and Employees with Personal Identification Sheet of each director, agent, or employee	First Friday of January & July of each year
Director, Officer, Agent, or Employee Movement	Within thirty (30) trading days from date of effectivity
Copy furnished notification of Withheld Employee	Within 30 trading days from the resignation or termination of whose clearance has been withheld
Quarterly Compliance Report	15 <sup>th</sup> of January, April, July, and October
Yearly Schedule/Timetable of the Implementation of the Training Program	3 <sup>rd</sup> Friday of January
Annual Audited Financial Report (AAFR)	Per CMIC Rule: Within 110 days after the close of fiscal year or December 31 unless the SEC provides a different timetable
Annex C (Information of the External Auditor and Audit Engagement of TP)	60 calendar days prior to the submission of the AAFR
Application for Voluntary Suspension of trading operations	At least 30 trading days prior to the intended date of cessation of trading operations
Written statement confirming the existence or absence of any undisclosed information that could have triggered subject transactions (in case of restriction, halt, or suspension of trading by a TP of a particular listed security)	Not later than 4:00 p.m. of the relevant day

<i>CMIC Requirements</i>	<i>Deadline</i>
Filing of a written Complaint with CMIC against any TP for trading-related irregularities or other violations of the Securities Laws	Within six (6) months from knowledge of its commission
Names of beneficial owners of listed securities involved in possible Unusual Trading Activities or possible Trading-regulated Irregularities	Within five (5) days
Certification from the management of the TP that the risk management procedures have been consistently followed	First Friday of January
Disclosure on transaction on listed shares of corporations which would have been prohibited under Section 30.1 of the SRC	Within 5 days after an affiliated transaction
Application for Early Settlement	Bi-annual basis before the early settlement
Disclosure for Early Settlement	From the date of early settlement until the actual settlement
PSE Shares disclosure	T+1 after the related transaction/s

For Securities Borrowing and Lending (SBL) transactions, if applicable:

<i>Documentation</i>	<i>Requirement</i>
Master Securities Lending Agreement (MSLA)	<p>The Lender/Lending Agent and the Borrower shall execute an MSLA which shall comply with the requirements provided in Sections 6 and 7 of the SBL Revenue Regulations. In addition:</p> <ul style="list-style-type: none"> <li>(i) The Borrower shall register the MSLA with the BIR in accordance with Section 8 of the SBL Revenue Regulation <i>prior to the execution of the first SBL transaction</i>; and,</li> <li>(ii) The Borrower shall inform its counterparty as soon as practicable, of the fact of registration of the MSLA with the BIR</li> </ul>

Securities Lending Authorization Agreement (SLAA)	A person acting as Lending Agent on behalf of another person shall execute an SLAA duly executed by the latter <i>before the first SBL transaction on behalf of the said person</i>
Confirmation Notice	Each SBL transaction shall be evidenced by a Confirmation Notice ( <i>in the format substantially prescribed in SBLF3</i> ) that specifies the details of the SBL transaction and shall be kept and maintained by both parties
Certification of Submission of Bi-annual Summary Reports of Outstanding and Liquidated SBL Transactions and Stock Returns	In the format substantially prescribed in SBLF5, said report must be submitted <i>within five (5) calendar days from the filing thereof with the BIR.</i>
Bi-annual Summary Reports of Outstanding and Liquidated SBL Transactions and Stock Returns	All TPs who participate in SBL shall submit, <i>within fifteen (15) calendar days after the end of every six months</i> , a summary of all its SBL transactions ( <i>in the format provided in SBLF2a &amp; 2b</i> ) to the CMIC as additional report to the RBCA requirement