



MEMORANDUM – 2017-030

TO : THE INVESTING PUBLIC AND THE TRADING PARTICIPANTS
SUBJECT : PUBLICATION OF DISCIPLINARY ACTIONS
DATE : 19 DECEMBER 2017

As mandated by Article XII, Section 6 of the Capital Markets Integrity Corporation ("CMIC") Rules, which states, in part, that CMIC shall publish at its website the sanctions imposed on trading participants ("TPs"), attached is a list of the TPs sanctioned by CMIC, together with details on the securities laws violated and the corresponding penalties.

It must be emphasized that the list covers the cases recently decided by CMIC, but does not include matters that are pending resolution by the Board of Directors of the CMIC ("CMIC Board") or where the period to appeal to the CMIC Board has not yet lapsed.

DAISY P. ARCE
President

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TRADING PARTICIPANTS	SECURITIES LAWS VIOLATED		TYPES OF SANCTION AND PENALTIES IMPOSED	
AP Securities, Inc.	Article VII, Section 1 (q) of the CMIC Rules, in relation to Article XV (3)g of the Implementing Guidelines of the Revised Philippine Stock Exchange ("PSE") Trading Rules	Identification of Customers' Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts	Minor violation	Written reprimand
Bernad Securities, Inc.	Article VII, Section 1 (q) of the CMIC Rules, in relation to Article XV (3)i and Article XVII (1) of the Implementing Guidelines of the Revised PSE Trading Rules	Identification of Customers' Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts	Minor violation	Written reprimand
BDO Securities, Inc.	Article VII, Section 1(q) of the CMIC Rules, in relation to Article XV (1), and Article XVI (2) and (3)	Identification of Customers' Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts	Minor violation	Written reprimand
BPI Securities Corporation	Article IV, Section 5 of the CMIC Rules	Director, Officer, Agent or Employee Movement	Minor violation	Written reprimand
Diversified Securities, Inc.	Article VII, Section 1(q) of the CMIC Rules, in relation to Article XV (1), (3)b, (3)d, and (3)i of the Implementing	Identification of Customers' Accounts and Orders through the Use of Code, Symbol or	Minor violation	Written reprimand and monetary penalty

	Guidelines of the Revised Trading Rules.	Account Number and Multiple Accounts		
	Article IV, Section 23(e) of the Revised PSE Trading Rules, in relation to Article XVII (5) of the Implementing Guidelines of the Revised Trading Rules	Reportorial Requirement (Done-Through Transactions)	Minor violation	Written reprimand
Goldstar Securities, Inc.	Article IX, Section 1(b) of the CMIC Rules	Updating of Books and Records	Major violation	Monetary penalty
	Article VIII, Section 2 (2.6) (A) (A.4) (b) (b.2) of the CMIC Rules	Computation of ORR	Major violation	Monetary penalty
	Article VIII, Section 2 (2.6) (A) (A.7) (b) (b.3) of the CMIC Rules	Computation of LERR-Single Issuer	Major violation	Monetary penalty
	Article VIII, Section 2 (2.6) (A) (A.2) (c) (c.2) of the CMIC Rules	Reporting of Daily RBCA Ratio	Major violation	Monetary penalty
	Article VII, Section 19 of the CMIC Rules	Deposit of Additional Reserve	Major violation	Monetary penalty
	Article VI, Section 2 of the CMIC Rules	Supervision	Major violation	Monetary penalty
Jaka Securities Corporation	Article XI-B, Section 2 of the CMIC Rules, in relation to Article	Obligation to Report Known or Suspected Violations	Grave violation	Written reprimand and

	XI-B, Section 8 of the CMIC Rules			monetary penalty
	Article VII, Section 1 (o) of the CMIC Rules, Article VI, Section 1(b) (iv), items (a) and (b), of the CMIC Rules, and Article VI, Section 7 of the CMIC Rules	Customer Account Information Rule	Major violation	Monetary penalty
	Article VI, Section 7 of the CMIC Rules	Suitability Rule	Major violation	Monetary penalty
	Article XII, Section 3 (b) (v) of the CMIC Rules	Making Untrue Statements or the Omission of any Material Fact	Major violation	Monetary penalty
	Article IV, Section 23 (e) of the Revised Trading Rules, in relation to Section XVII (5) of the Implementing Guidelines of the Revised Trading Rules	Reportorial Requirement (Done-Through Transactions)	Minor violation	Written reprimand and monetary penalty
	Article VI, Section 2 (a) and (b) of the CMIC	Supervision	Major violation	Monetary penalty
PCCI Securities Brokers Corporation	Article XI-B, Section 1(h) of the CMIC Rules	Trading Irregularities - Unauthorized Use or Disposition of Funds or Securities Entrusted by a Client	Grave violation	Written reprimand and monetary penalty

	Article VI, Section 1(a) and (b) (vi) (c) of the CMIC Rules	Ethical Standard Rules	Major violation	Monetary penalty
	Article VI, Section 2(a) and (b) of the CMIC Rules	Supervision	Major violation	Monetary penalty
	Article VII, Section 1(q) of the CMIC Rules, in relation to Article IV, Section 4 of the Revised Trading Rules and Annex A – XV and XVI of the Implementing Guidelines of the Revised Trading Rules	Identification of Customers' Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts	Minor violation	Monetary penalty
Sincere Securities Corporation	Annex A – V of the Implementing Guidelines of the Revised Trading Rules	Trader Account ID	Minor violation	Written reprimand
	Article VII, Section 19 of the CMIC Rules	Deposit of Additional Reserve	Major violation	Monetary penalty
Solar Securities, Inc.	Article VII, Section 1 (q) of the CMIC Rules, in relation to Article XV (3)i and Article XVII (1) of the Implementing Guidelines of the Revised Philippine Stock Exchange ("PSE") Trading Rules	Identification of Customers' Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts	Minor violation	Written reprimand

Unicapital Securities, Inc.	Article VII, Section 1(m) of the CMIC Rules, in relation to Rule 9.a.7 of the AMLA IRR and Rule 52.1.6.12. of the 2015 SRC Rule	Customer Account Information Rule	Minor violation	Written reprimand
VC Securities Corporation	Article IV, Section 4 of the CMIC Rules	Submission of List of Directors, Officers, Agents and Employees	Minor violation	Written reprimand

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