



MEMORANDUM – 2018-012

TO : THE INVESTING PUBLIC AND THE TRADING PARTICIPANTS



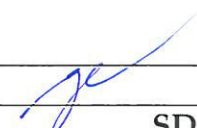
SUBJECT : PUBLICATION OF DISCIPLINARY ACTIONS

DATE : 5 APRIL 2018

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. The period covered is from 20 December 2017 to 5 April 2018.

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")¹ or where the period to appeal to the CMIC Board has not yet lapsed.


DAISY PEARCE
President

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| ACD | FHRAD | IED | SD |

¹ Likewise excluded are cases where notices containing the CMIC Board's resolutions on requests for reconsideration have not yet been duly received by the concerned TPs.

| TRADING PARTICIPANTS | SECURITIES LAWS VIOLATED | | TYPES OF SANCTION AND PENALTIES IMPOSED | |
|-------------------------------|--|---|---|--|
| Abacus Securities Corporation | Article VII, Section 1(q) of the CMIC Rules, in relation to Article IV, Section 4 of the Revised Trading Rules and Annex A – XVI of the Implementing Guidelines of the Revised Philippine Stock Exchange (“PSE”) Trading Rules | Customer Account Information Rule (<i>Identification of Customers’ Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts</i>) | Minor violation | Monetary penalty |
| 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 PSE Trading Rules | Customer Account Information Rule (<i>Identification of Customers’ Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts</i>) | Minor violation | Monetary penalty |
| | Article VI, Section 1 (b) (iv), items (a), (b) and (e) of the CMIC Rules | Ethical Standards Rule (<i>Information about Clients</i>) | Major violation | Monetary penalty |
| IGC Securities, Inc. | Article VII, Section 1 (q) of the CMIC Rules, in relation to Article XV (3)g of the Implementing Guidelines of the | Customer Account Information Rule (<i>Identification of Customers’ Accounts and</i> | Minor violation | Written reprimand and monetary penalty |

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| | Revised PSE Trading Rules | <i>Orders through the Use of Code, Symbol or Account Number and Multiple Accounts)</i> | | |
| Lucky 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 | Customer Account Information Rule (<i>Identification of Customers' Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts)</i>) | Minor violation | Written reprimand |
| Papa Securities Corporation | Article VII, Section 1 (q) of the CMIC Rules, in relation to Article IV, Section 4 of the Revised Trading Rules and Annex A - XVI of the Implementing Guidelines of the Revised PSE Trading Rules | Customer Account Information Rule (<i>Identification of Customers' Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts)</i>) | Minor violation | Monetary penalty |
| PCCI Securities Brokers Corporation | Article IV, Section 21 (d) of the Revised Trading Rules, in relation to Rules 34.1.5 and 34.3 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code | Give-up/Take-up Transactions | Minor violation | Monetary penalty |

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|--------------------------------------|--|---|-----------------|-------------------|
| Salisbury BKT Securities Corporation | Article VI, Section 1 (b) (iv), items (a), (b) and (e), of the CMIC Rules | Ethical Standards Rule (<i>Information about Clients</i>) | Major violation | Monetary penalty |
| Timson Securities, Inc. | Article VII, Section 1(q) of the CMIC Rules, in relation to Annex A – XV of the Implementing Guidelines of the Revised PSE Trading Rules | Customer Account Information Rule (<i>Identification of Customers' Accounts and Orders through the Use of Code, Symbol or Account Number and Multiple Accounts</i>) | Minor violation | Written reprimand |
| | Article IV, Section 21 (d) of the Revised Trading Rules, in relation to Rules 34.1.5 and 34.3 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code | Give-up/Take-up Transactions | Minor violation | Monetary penalty |
| Unicapital Securities, Inc. | Article VIII, Section 2(2.6)(A)(A.3)(c)(c.5) of the CMIC Rules | Risk Based Capital Adequacy Requirements (<i>Deducting Negative Exposure</i>) | Major violation | Monetary penalty |

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