



# MEMORANDUM – 2020-023

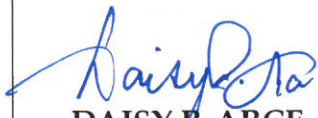
**TO : THE INVESTING PUBLIC AND THE TRADING PARTICIPANTS**



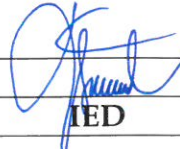
**SUBJECT : PUBLICATION OF DISCIPLINARY ACTIONS**

**DATE : 14 July 2020**

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 25 January 2020 to 14 July 2020.

It must be emphasized that the list may cover matters recently decided by CMIC, including cases that, after having been resolved by CMIC, are appealed to the Securities and Exchange Commission and/or the courts. Conversely, the list 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<sup>1</sup>.

  
**DAISY F. ARCE**  
*President*

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|--|--|---|----|
| <br>ACD | <br>FHRAD | <br>IED | SD |
|--|--|---|----|

<sup>1</sup> 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 <sup>2</sup> | SECURITIES LAWS VIOLATED  |   | TYPES OF SANCTION AND PENALTIES IMPOSED |  |
|-----------------------------------|---|---|---|--|
| BDO Nomura Securities, Inc.       | Article VIII-A, Section 2 (2.6) (A) (A.2) (a) (a.3) of the CMIC Rules                                   | Capitalization Requirements of Trading Participants ( <i>Risk Based Capital Adequacy Guidelines</i> ) | Major violation                         | Monetary penalty                       |
|                                   | Article VI, Section 2 of the CMIC Rules   | Conduct Regulation of Trading Participants ( <i>Supervision</i> )                                     | Major violation                         | Monetary penalty                       |
| F. Yap Securities, Inc.           | Article XV (1) of the Implementing Guidelines of the Revised Trading Rules                              | Trading Account Codes   | Minor violation                         | Written reprimand and monetary penalty |
|                                   | PSE Memoranda Nos. 2008-0467 and 2016-0083, in relation to Rule 30.2.5.2 of the 2015 SRC Rules          | Minimum Commission Rule   | Minor violation                         | Written reprimand and monetary penalty |
|                                   | Article VI, Section 2 of the CMIC Rules   | Conduct Regulation of Trading Participants ( <i>Supervision</i> )                                     | Major violation                         | Monetary penalty                       |
| Standard Securities Corporation   | Article VII, Section 10 (d) of the CMIC Rules, in relation to Article VII, Section 23 of the CMIC Rules | Customer Protection ( <i>Regulation of Short Sale</i> )   | Major violation                         | Monetary penalty                       |

<sup>2</sup> Updated.

|                             |   |   |                 |  |
|-----------------------------|---|---|-----------------|--|
|                             | Article VI, Section 2 (b) of the CMIC Rules   | Conduct Regulation of Trading Participants ( <i>Supervision</i> )   | Major violation | Monetary penalty                       |
| UPCC Securities Corporation | Article VII, Section 21 of the CMIC Rules   | Customer Protection ( <i>Withdrawals from the Reserve Bank Account</i> )  | Major violation | Monetary penalty                       |
|                             | Article VII, Section 1 (q) of the CMIC Rules, in relation to Article IV, Section 4 (a) of the Revised Trading Rules and Article XV1 (1) of the Implementing Guidelines of the Revised Trading Rules | Customer Protection ( <i>Customer Account Information Rule; Identification of Customers' Accounts and Orders through the Use of Code, Symbol, or Account Number and Multiple Accounts</i> ) | Minor violation | Written reprimand and monetary penalty |
|                             | Article IV, Section 4 (c) of the Revised Trading Rules, in relation to Rule 34.1.5 of the 2015 SRC Rules  | General Trading Operations ( <i>Aggregation of Client and Proprietary Orders</i> )  | Minor violation | Written reprimand and monetary penalty |
|                             | Article VI, Section 2 of the CMIC   | Conduct Regulation of Trading Participants ( <i>Supervision</i> )   | Major violation | Monetary penalty                       |

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