



MEMORANDUM – 2022-005

TO : THE INVESTING PUBLIC AND THE TRADING PARTICIPANTS
SUBJECT : PUBLICATION OF DISCIPLINARY ACTIONS
DATE : 25 March 2022

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 17 September 2021 to 25 March 2022.

It must be emphasized that the list may cover matters recently decided by CMIC, including cases that, after having been resolved by CMIC, are or may be 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 lapsed¹.

(original signed)
DAISY P. ARCE
President

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¹ Also 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	
Alpha Securities Corporation	Article XVI (1), (6) and (7) of the Implementing Guidelines of the Revised Trading Rules	Aggregation of Client Orders	Minor	Written reprimand
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants (<i>Supervision</i>)	Major	Monetary penalty
A.T. De Castro Securities Corporation	Article VII, Section 19 of the CMIC Rules	Customer Protection (<i>Special Bank Account for the Exclusive Benefits of Customers</i>)	Major	Monetary penalty
	Article VII, Section 21 of the CMIC Rules, in relation to SEC Memorandum 16, Series of 2004	Customer Protection (<i>Withdrawals from the Reserve Bank Account</i>)	Major	Monetary penalty
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants (<i>Supervision</i>)	Major	Monetary penalty
Belson Securities, Inc.	Article VII, Section 10 (d) of the CMIC Rules, in relation to Article IV, Section 20 (b) of the Revised Trading Rules	Customer Protection (<i>Regulation of Short Sale</i>)	Minor	Monetary penalty

	Article IV, Section 20 (c) of the Revised Trading Rules	Error Transactions	Minor	Written reprimand
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants (<i>Supervision</i>)	Major	Monetary penalty
Eastwest Capital Corporation	Article XVI (1) (4) and (5) of the Implementing Guidelines of the Revised Trading Rules	Aggregation of Client Orders	Minor	Written reprimand and monetary penalty
	Article IV, Section 23 (e) of the Revised Trading Rules	Done-Through Transactions	Minor	Written reprimand
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants (<i>Supervision</i>)	Major	Monetary penalty
First Metro Securities Brokerage Corporation	Article XVII (1) of the Implementing Guidelines of the Revised Trading Rules	Trade Amendment	Minor	Written reprimand
IGC Securities, Inc.	Article VII, Section 19 of the CMIC Rules, in relation to Trading of Dollar-Denominated Securities Accounting and Recording Guidelines for Trading Participants	Customer Protection (<i>Special Reserve Bank Account for the Exclusive Benefit of Customers</i>)	Major	Monetary penalty

	Article IV, Section 4 (c) of the Revised Trading Rules, in relation to Rule 34.1.5 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code	Aggregation of Client Orders	Minor	Written reprimand
	Article VII, Section 23 of the CMIC Rules, in relation to Article II, Section 2 of the CMIC Rules	Customer Protection (<i>Lending and Voting Customers Securities</i>)	Minor	Written reprimand
	Article II, Section 2 of the CMIC Rules	Investigation and Resolution of Cases by CMIC (<i>Duty and Responsibility of Trading Participant in Investigations</i>)	Minor	Written reprimand
	Article VII, Section 1 (q) of the CMIC Rules, in relation to Article IV, Section 4 (a) of the Revised Trading Rules and Article XVI (1) of the Implementing Guidelines of the Revised Trading Rules	Customer Protection (<i>Customer Account Information Rule</i>)	Minor	Monetary penalty
	PSE Memorandum No. 2016-0083, in relation to Rule 30.2.5.2 of the 2015	Minimum Commission Rates	Minor	Written reprimand and

	Implementing Rules and Regulations of the Securities Regulation Code			monetary penalty
	Article XI-B, Section 1(h) of the CMIC Rules	Trading-Related Irregularities	Grave	Written reprimand and monetary penalty
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants (<i>Supervision</i>)	Major	Monetary penalty
Jaka Securities Corporation	Article VII, Sections 19 and 22 of the CMIC Rules	Customer Protection (<i>Special Reserve Bank Account for the Exclusive Benefit of Customers, and Notification in the Event of Failure to Make a Required Deposit</i>)	Major	Monetary penalty
Luy's Securities Company, Inc.	Article XVII (1) of the Implementing Guidelines of the Revised Trading Rules	Trade Amendment	Minor	Written reprimand
	Rule 30.2.2.6 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code	Confirmation of Customer Orders	Minor	Written reprimand
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants (<i>Supervision</i>)	Major	Monetary penalty

Philippine Equity Partners, Inc.	Rule 30.2.2.6 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code	Confirmation of Customer Orders	Minor	Written reprimand
	Article IV, Section 4 (c) of the Revised Trading Rules	Aggregation of Client Orders	Minor	Written reprimand and monetary penalty
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants (<i>Supervision</i>)	Major	Monetary penalty
Quality Investment & Securities Corporation	Article V, Section 1, in relation to Article V, Section 2, of the CMIC Rules	Code of Conduct and Professional Ethics for Traders and Salesmen (<i>General Principles</i>)	Major	Monetary Penalty
	Article VI, Section 1 (a), (b)(i)(ii) and (iii); (b)(vii)(c) and (d); (b)(iv)(a) and (b) of the CMIC Rules	Conduct Regulation of Trading Participants (<i>Ethical Standards Rule</i>)	Major	Monetary Penalty
	Article VII, Section 11 (a) of the CMIC Rules	Customer Protection (<i>Client Confirmation</i>)	Minor	Monetary penalty
	Article IV, Section 20 (c) of the Revised Trading Rules	Error Transactions	Minor	Written reprimand

	<p>Rule 30.2.2.6 of the 2015 Implementing Rules and Regulations of the Securities Regulation Code</p> <hr/> <p>Article VI, Section 2 of the CMIC Rules</p>	<p>Confirmation of Customer Orders</p> <hr/> <p>Conduct Regulation of Trading Participants (<i>Supervision</i>)</p>	<p>Minor</p> <hr/> <p>Major</p>	<p>Written reprimand and monetary penalty</p> <hr/> <p>Monetary penalty</p>
Regis Partners, Inc.	Article II, Section 2 of the CMIC Rules	Investigation and Resolution of Cases by CMIC <i>(Duty and Responsibility of Trading Participants in Investigations)</i>	Minor	Written reprimand
R. Nubla Securities, Inc.	Article VII, Section 21 of the CMIC Rules	Customer Protection <i>(Withdrawals from the Reserve Bank Account)</i>	Major	Monetary penalty
	Article IV, Section 4(a) of the Revised Trading Rules and Article XVI (1) of the Implementing Guidelines of the Revised Trading Rules	Aggregation of Client Orders	Minor	Written reprimand
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants <i>(Supervision)</i>	Major	Monetary penalty
Strategic Equities Corporation	Article VII, Section 19 of the CMIC Rules	Customer Protection <i>(Special Bank Account for the Exclusive Benefits of Customers)</i>	Major	Monetary penalty

	Article VII, Section 21 of the CMIC Rules	Customer Protection <i>(Withdrawals from the Reserve Bank Account)</i>	Major	Monetary penalty
	Article VI, Section 2 of the CMIC Rules	Conduct Regulation of Trading Participants <i>(Supervision)</i>	Major	Monetary penalty
Timson Securities, Inc.	Article VII, Sections 19 and 22 of the CMIC Rules	Customer Protection <i>(Special Reserve Bank Account for the Exclusive Benefit of Customers, and Notification in the Event of Failure to Make a Required Deposit)</i>	Major	Monetary penalty
Tri-State Securities, Inc.	Article XVII (1) of the Implementing Guidelines of the Revised Trading Rules	Trade Amendment	Minor	Written reprimand

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