SEC MEMORANDUM CIRCULAR NO. 17

Series of 2002

TO : All Government Securities Eligible Dealers (GSED)

SUBJECT : Schedule of Fees, Fines and Penalties

To ensure an orderly, efficient, transparent and fair government securities (gs) market, and pursuant to Rule 13.3.1 (c) of the Amended Rules Governing Secondary Market Trade of Government Securities, the Securities and Exchange Commission, hereby adopts the following schedule of fees, fines and penalties for Government Securities Eligible Dealers (GSED):

1. Fees	**Date of filing**	**Amount**
New Registration		
Head Office		P 50,000 + other fees
Branch Office		10,000 + other fees
Renewal	November 2	
Head Office		P 20,000 + other fees
Branch Office		5,000 + other fees

2. Fines and Penalties

	Basic Penalty for Violation			
Violations	**First Offense**	**Second Offense**	**Third Offense**	**Penalty for every day during which the violation continues**
a) Failure to indicate Value Received (VR) on the trade transaction	1/5 of 1% of the aggregate price or value of securities transacted but not less than P3,000.00	2/5 of 1% of the aggregate price or value of securities transacted but not less than P5,000.00	3/5 of 1% of the aggregate price or value of securities transacted but not less than P10.000.00	P100.00
b) Cancellation of trade transaction due to double encoding of transaction, i.e. sale, purchase, earmarking.	P3,000.00	P5,000.00	P10,000.00	P100.00

c) Late and/or non-reporting of gs trades to clients.	P3,000.00	P5,000.00	P10,000.00	P100.00
d) Erroneous encoding of trade details i.e. value date, account no., dealer code, ISIN, face value, tenor, counterparty's name.	P1,000.00	P2,000.00	P3,000.00	P100.00
e) Other violations determined by the BTr	P1,000.00	P2,000.00	P3,000.00	P100.00

This memorandum circular shall take effect immediately.

November _29_, 2002.

Mandaluyong City, Philippines.

(Original Signed)

LILIA R. BAUTISTA
Chairperson