REPUBLIC OF THE PHILIPPINES
SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Greenhills, Mandaluyong City

SEC MEMORANDUM CIRCULAR NO. 6
Series of 2005

CONSOLIDATED SCALE OF FINES

The Commission resolved to approve the following revised administrative penalties for each specified violation of the Securities Regulation Code (SRC) and its Amended Implementing Rules and Regulations (IRR), Investment Company Act (ICA) and ICA Rule 35-1, Pre-Need Rules, and the Financing Company Act and its Implementing Rules:

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Sections 8 and 12; SRC Rules 8 & 12	SELLING OR OFFERING FOR SALE OR DISTRIBUTION OF SECURITIES TO THE PUBLIC WITHOUT PRIOR REGISTRATION OR PERMIT TO SELL	1% of the amount of each transaction or P10,000 per transaction, whichever is higher.	2% of the amount of each transaction or P20,000 per transaction, whichever is higher.	6% of the amount of each transaction or P60,000 per transaction, whichever is higher.
Section 10; SRC Rule 10.1	LATE FILING OF NOTICE OF EXEMPTION PURSUANT TO SRC RULE 10.1 (k & l)	P2,000 plus P100 per day of delay *For listed companies:* P10,000 plus P100 per day of delay	P4,000 plus P200 per day of delay P20,000 plus P200 per day of delay	P12,000 plus P600 per day of delay P60,000 plus P600 per day of delay
	NON-COMPLIANCE WITH THE DISCLOSURE REQUIREMENTS UNDER SRC RULE 10.1	P10,000 plus P100 per day of delay	P20,000 plus P200 per day of delay	P60,000 plus P600 per day of delay
Section 14; SRC Rule 14	FAILURE TO AMEND REGISTRATION STATEMENT IN ACCORDANCE WITH SRC RULE 14 *Change in the Qualitative Terms and Conditions of the Securities including work program or use of proceeds*	P10,000 plus P100 per day of delay	P20,000 plus P200 per day of delay	P60,000 plus P600 per day of delay

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Section 14; SRC Rule 14	Increase in the number of shares or offering price per share (in excess of the price range, if any)	1% of the amount of each sale in excess of the authorized shares or price, or P10,000 per transaction, whichever is higher, plus P100 per day of delay of the filing of the amendment	2% of the amount of each sale in excess of the authorized shares or price, or P20,000 per transaction, whichever is higher, plus P200 per day of delay of the filing of the amendment	6% of the amount of each sale in excess of the authorized shares or price, or P60,000 per transaction, whichever is higher, plus P600 per day of delay of the filing of the amendment
	FAILURE TO TIMELY PUBLISH THE NOTICE OF AMENDMENTS	P10,000 plus P100 per day of delay	P20,000 plus P200 per day of delay	P60,000 plus P600 per day of delay
	FAILURE TO REFUND INVESTMENT (In case of derogation of rights of purchasers due to the amendments)	5% of the amount of the unrefunded investment plus P100 per day of delay of the refund	15% of the amount of the unrefunded amount plus P200 per day of delay of the refund	30% of the amount of the unrefunded amount plus P600 per day of delay of the refund
Section 17.1; SRC Rule 17.1	LATE FILING OF CURRENT REPORT (SEC FORM 17-C)	Reprimand/ Warning	P30,000 plus P200 per day of delay	P40,000 plus P400 per day of delay
	INCOMPLETE CURRENT REPORT (SEC FORM 17-C) This shall be in addition to the penalty for late filing of the report per due date under the Rules.	Reprimand/ Warning	P10,000 plus P200 per day of delay of filing the amended report	P20,000 plus P400 per day of delay of filing the amended report
	LATE FILING OF QUARTERLY REPORT (SEC FORM 17-Q)	Reprimand/ Warning	P50,000 plus P300 per day of delay	P60,000 plus P600 per day of delay
	INCOMPLETE QUARTERLY REPORT (SEC FORM 17-Q) This shall be in addition to the penalty for late filing of the report per due date under the Rules.	Reprimand/ Warning	P20,000 plus P300 per day of delay of filing the amended report	P40,000 plus P600 per day of delay of filing the amended report

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Section 17.1; SRC Rule 17.1	LATE FILING OF ANNUAL REPORT (SEC FORM 17-A)	Reprimand/ Warning	P100,000 plus P500 per day of delay	P200,000 plus P1,000 per day of delay
	INCOMPLETE ANNUAL REPORT (SEC FORM 17-A) This shall be in addition to the penalty for late filing of the report per due date under the Rules.	Reprimand/ Warning	P30,000 plus P500 per day of delay of filing the amended report	P60,000 plus P1,000 per day of delay of filing the amended report
	LATE FILING OF THE NOTICE OF SUSPENSION TO FILE REPORTS (SEC FORM 17-EX)	P10,000 plus P100 per day of delay	P20,000 plus P200 per day of delay	P50,000 plus P600 per day of delay
	LATE FILING OF MONTHLY REPORT ON EXEMPT COMMERCIAL PAPERS	Reprimand/ Warning	P10,000 plus P100 per day of delay	P20,000 plus P200 per day of delay
	LATE FILING OF QUARTERLY REPORT ON EXEMPT COMMERCIAL PAPERS	Reprimand/ Warning	P20,000 plus P100 per day of delay	P40,000 plus P200 per day of delay
	LATE FILING OF ANNUAL INFORMATION STATEMENT ON COMMERCIAL PAPERS AND/OR PAYMENT OF ANNUAL EXEMPTIO FEE	Reprimand/ Warning	P20,000 plus P200 per day of delay	P40,000 plus P400 per day of delay
Section 18; SRC Rule 18	LATE FILING OF REPORTS BY 5% OR MORE HOLDERS OF EQUITY SECURITIES (SECFORM18-A/18-AS)	Reprimand/ Warning	1% of the amount of each purchase or disposition, or P10,000 per transaction, whichever is higher plus P100 per day of delay.	2% of the amount of each transaction or P20,000 per transaction, whichever is higher plus P200 per day of delay.
	INCOMPLETE REPORTS BY 5% OR MORE HOLDERS OF EQUITY SECURITIES (SECFORM18-A/18-AS) This shall be in addition to the penalty for late filing of the report per due date under the Rules.	Reprimand/ Warning	P10,000 plus P300 per day of delay of the submission of the amended report	P20,000 plus P600 per day of delay of the submission of the amended report

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Section 19.1; SRC Rule 19.1	LATE FILING OF TENDER OFFER REPORT (SEC FORM 19-1)	P50,000 plus P500 per day of delay of filing the report	P100,000 plus P1,000 per day of delay of filing the report	P200,000 plus P2,000 per day of delay of filing the report
	INCOMPLETE TENDER OFFER REPORT (SEC FORM 19-1) This shall be in addition to the penalty for late filing of the report per due date under the Rules.	P30,000 plus P500 per day of delay of filing the amended report	P60,000 plus P1,000 per day of delay of filing the amended report	P120,000 plus P2,000 per day of delay of filing the amended report
	FAILURE TO CONDUCT A TENDER OFFER (Pursuant to SRC Rule 19.1	P100,000 or .01% of the aggregate amount of the tender offer, whichever is higher plus P500 per day of delay	P200,000 or .02% of the aggregate amount of the tender offer, whichever is higher plus P1,000 per day of delay	P300,000 or .06% of the aggregate amount of the tender offer, whichever is higher plus P2,000 per day of delay
	FAILURE TO COMPLY WITH ANY OTHER REQUIREMENTS OF SRC RULE 19-1	P50,000 plus P500 per day of continuing violation	P100,000 plus P1,000 per day of continuing violation	P200,000 plus P2,000 per day of continuing violation
Section 20 [in relation with 17.1(b)]; SRC Rule 20	LATE FILING OF INFORMATION STATEMENT (SEC FORM 20-IS)	Reprimand/ Warning	P100,000 plus P500 per day of delay	P200,000 plus P1,000 per day of delay
	INCOMPLETE INFORMATION STATEMENT (SEC FORM 20-IS)	Reprimand/ Warning	P30,000 plus P500 per day of delay of filing the amended report	P60,000 plus P1,000 per day of delay of filing the amended report
	FAILURE TO COMPLY WITH ANY OF THE OTHER PROCEDURAL REQUIREMENTS OF SRC RULE 20	Reprimand/ Warning	P50,000 plus P500 per day of continuing violation	P100,000 plus P1,000 per day of continuing violation

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Section 23; SRC Rule 23	LATE FILING OF STATEMENT OF BENEFICIALOWNERSHIP (SEC FORM 23-A/B)	Reprimand/ Warning	1% of the amount of each purchase or disposition, or P10,000 per transaction, whichever is higher plus P100 per day of delay.	2% of the amount of each transaction or P20,000 per transaction, whichever is higher plus P200 per day of delay.
	INCOMPLETE STATEMENT OF BENEFICIALOWNERSHIP (SEC FORM 23-A/B) This shall be in addition to the penalty for late filing of the report per due date under the Rules.	Reprimand/ Warning	P10,000 plus P100 per day of delay of the submission of the amended report	P20,000 plus P200 per day of delay of the submission of the amended report
	FOR DIRECTORS / OFFICERS			
	Qualifying or not more than shares (100) shares	Reprimand/ Warning	P10,000 plus P100 per day of delay of the submission of the report	P20,000 plus P200 per day of delay of the submission of the report
	More than 100 shares but less than 5% of the outstanding equity security	Reprimand/ Warning	P20,000 plus P100 per day of delay	P40,000 plus P200 per day of delay
	More than 5% but less than 10%	Reprimand/ Warning	P10,000 plus P100 per day of delay	P20,000 plus P200 per day of delay
Section 38; SRC Rule 38	FAILURE TO ELECT INDEPENDENT DIRECTOR(S) Or ELECTION OF AN UNQUALIFIED INDEPENDENT DIRECTOR	Reprimand/ Warning	P100,000 plus P500 per day of continuing violation	P150,000 plus P1,000 per day of continuing violation
Section 54	MISREPRESENTATION OR MISLEADING STATEMENTS IN ANY FILINGS REQUIRED TO BE SUBMITTED TO THE COMMISSION (This is in addition to the penalty on the principal report, if any.)	P100,000 plus P500 per day of continuing violation	P200,000 plus P1,000 per day of continuing violation	P400,000 plus P2,000 per day of continuing violation
	Failure to submit any of the certifications on corporate governance which were represented to be submitted	Reprimand/ Warning	P25,000 plus P500 per day of violation	P50,000 plus P1,000 per day of violation
	Any misrepresentation in the submitted Manual on Corporate Governance	Reprimand/ Warning	P50,000 plus P500 per day of continuing violation	P100,000 plus P1,000 per day of continuing violation

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Section 68	FAILURE TO COMPLY WITH ANY OF THE REQUIREMENTS OF SRC RULE 68 Or INCOMPLETE DISCLOSURE IN THE FINANCIAL STATEMENTS (This is in addition to the penalty on the late or incomplete filing of the annual report)	P25,000 plus P500 per day of violation	P50,000 plus P1,000 per day of violation	P100,000 plus P1,000 per day of violation
	MATERIAL MISTATEMENTS IN THE FINANCIAL REPORT	P50,000 or 1/10 of 1% of the amount of misstatement, whichever is higher, plus P500 per day of continuing violation	P100,000 or 1/10 of 2% of the amount of misstatement, whichever is higher, plus P1,000 per day of continuing violation	P200,000 or 1/10 of 6% of the amount of misstatement, whichever is higher, plus P2,000 per day of continuing violation

SRC and IRR provisions on Exchange, Brokers and Dealers, Other Selling Persons

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 24.1 (b)-1	MANIPULATIVE PRACTICES	BD - P100,000.00 AP/S- P50,000.00	P150,000.00 P 75,000.00	P 200,000.00 P100,000.00
SRC Rule 24.1 (d) – 1	ADVERTISEMENTS AND COMMUNICATIONS WITH THE PUBLIC	Reprimand/ Warning	BD - P100,000.00 AP/S- P50,000.00	P150,000.00 P 75,000.00
SRC Rule 24.1(d) – 2	PUBLICATION OF TRANSACTIONS AND QUOTATIONS	Reprimand/ Warning	BD - P100,000.00 AP/S- P50,000.00	P150,000.00 P 75,000.00
SRC Rule 24.1 (d) – 3	PAYMENT TO INFLUENCE MARKET PRICES	BD - P100,000.00 AP/S- P50,000.00	P150,000.00 P 75,000.00	P 200,000.00 P100,000.00
SRC Rule 24.2-3	PROHIBITION ON GUARANTEES AGAINST LOSS	Reprimand/ Warning	BD - P100,000.00 AP/S- P50,000.00	P150,000.00 P 75,000.00
Section 25	VIOLATION OF REGULATION OF OPTION TRADING	P50,000.00	P75,000.00	P100,000.00

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Section 26	FRAUDULENT TRANSACTIONS	BD - P100,000.00 AP/S- P50,000.00	P150,000.00 P 75,000.00	P 200,000.00 P100,000.00
SRC Rule 26.3 – 1	USE OF INFORMATION OBTAINED IN FIDUCIARY CAPACITY	Reprimand/ Warning	P50,000.00	P75,000.00
SRC Rule 26.3 – 2(b)	PROHIBITED REPRESENTATIONS	P50,000.00	P75,000.00	P100,000.00
Section 27	INSIDER'S TRADING	BD - P100,000.00 AP/S- P50,000.00	P150,000.00 P 75,000.00	P 200,000.00 P100,000.00
Section 28.1	FAILURE TO REGISTER AS BROKERS, DEALERS OF: EQUITY SECURITIES PROPRIETARY SHARES	Reprimand/ Warning	P100,000.00 P50,000.00	N/A N/A
SRC Rule 28.1-1(E)(vi)	FAILURE TO REGISTER BRANCH OFFICE	10,000.00 P100/day of delay	25,000.00 P100/day of delay	50,000.00 P100/day of delay
SRC Rule 28.1-1(E)(viii)	FAILURE TO MAINTAIN REGISTERED AP	Reprimand/ Warning	10,000.00 P100/day of delay	25,000.00 P100/day of delay
SRC Rule 28.1-1(E)(xi)	FAILURE TO MAINTAIN SEPARATE BANK ACCOUNT FOR CLIENT FUND	Reprimand/ Warning	20,000.00	25,000.00
SRC Rule 28.1-1(E)(xiii)	FAILURE TO REPORT AMENDMENT	Reprimand/ Warning	10,000.00 P100/day of delay	15,000.00 -do-
SRC Rule 28.1-4	FAILURE TO REGISTER AS: SALESMAN COMPANY INDIVIDUAL ASSOCIATED PERSON COMPANY INDIVIDUAL	Reprimand/ Warning Reprimand/ Warning	10,000.00 5,000.00 10,000.00 5,000.00	15,000.00 7,000.00 20,000.00 7,000.00

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 28.1-4(C)	FAILURE TO NOTIFY DISCONTINUATION OF EMPLOYMENT OF SALESMAN, ASSOCIATED PERSON (SEC FORM 28-T)	Reprimand/ Warning	10,000.00 P100/day of delay	15,000.00 P100/day of delay
SRC Rule 30.1	VIOLATION OF RULES ON AFFILIATED TRANSACTIONS	Reprimand/ Warning	10,000.00	25,000.00
SRC Rule 30.2-1	ETHICAL STANDARDS RULE	Reprimand/ Warning	50,000.00	100,000.00
SRC Rule 30.2-2	CONFIRMATION OF CUSTOMER ORDERS	-do-	10,000.00	15,000.00
SRC Rule 30.2-3	CLIENT AGREEMENT	-do-	10,000.00	15,000.00
	CLIENT AGREEMENT WITHDISCRETIONARY ACCOUNT	-do-	50,000.00	100,000.00
SRC Rule 30.2-4	SUITABILITY RULE	-do-	50,000.00	100,000.00
	CHURNING/EXCESSIVE TRADING	10,000.00	15,000.00	20,000.00
SRC Rule 30.2-5	RULES ON COMMISSIONS & CHARGES FOR SERVICES OF BROKER DEALER	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 30.2-6	FAILURE TO ESTABLISH/MAINTAIN EFFECTIVE & APPROPRIATE COMPLIANCE FUNCTION	Reprimand/ Warning	25,000.00	50,000.00
	FAILURE TO INFORM THE COMMISSION OF OCCURRENCES OF MATERIAL NON-COMPLIANCE WITH LEGAL REQUIREMENTS	25,000.00	50,000.00	100,000.00
	FAILURE TO REPORT TO MANAGEMENT AND TO MAINTAIN A LOGBOOK	Reprimand/ Warning	5,000.00	7,000.00
	FAILURE TO FILE COMPLIANCE REPORT	Reprimand/ Warning	5,000.00 P100/day of delay	7,000.00 P100/day of delay

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 30.2-7	FAILURE TO ESTABLISH, IMPLEMENT TRAINING PROGRAM	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 30.2-9	FAILURE TO SUBMIT NAMES OF STOCKHOLDERS, MEMBERS, PARTICIPANTS, CLIENTS, RELATED INFORMATION	Reprimand/ Warning	10,000.00	15,000.00
Section 32	PROHIBITION ON THE USE OF UNREGISTERED EXCHANGE; FAILURE TO RENEW LICENSE; REGULATION OF OVER THE COUNTER MARKET	200,000.00	-	-
SRC Rule 32.1	TRADING OF UNREGISTERED SECURITIES OR IN UNREGISTERED EXCHANGE/MARKET	B/D – P100,000.00 AP/SP – P50,000.00	P150,000.00 P75,000.00	P200,000.00 P100,000.00
SRC Rule 32.2(a)	BEST EXECUTION RULE	B/D – P50,000.00 AP/S – 25,000.00	75,000.00 50,000.00	100,000.00 75,000.00
SRC Rule 33.2 (c)	COMPOSITION OF THE BOARD OF AN EXCHANGE	Reprimand/ Warning	100,000.00	150,000.00
SRC Rule 33.2 (c)	FAILURE TO COMPLY WITH THE OWNERSHIP LIMIT REQUIREMENT	P100,000.00 100.00/day of delay	P150,000.00 100.00/day of delay	P200,000.00 100.00/day of delay
SRC Rule 33.2 (d)	FAILURE OF AN EXCHANGE TO PROTECT CUSTOMER ACCOUNTS IN CASE OF BUSINESS FAILURE	P100,000.00 100.00/day of delay	P150,000.00 100.00/day of delay	P200,000.00 100.00/day of delay
SRC Rule 34.1-1	VIOLATION OF CUSTOMER FIRST POLICY	Reprimand/ Warning	P25,000.00	P50,000.00

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 34.1-2	VIOLATION OF CHINESE WALLS POLICY	P25,000.00	P50,000.00	P100,000.00
SRC Rule 36-4.1	FAILURE TO REGISTER AS A TRANSFER AGENT	Reprimand/ Warning	P50,000.00 100.00/day of delay	P75,000.00 100.00/day of delay
SRC Rules 36-4.2	FAILURE TO SUBMIT: ▪ ANNUAL REPORT; ▪ EXCEPTION REPORT; ▪ PERIODIC REPORT TO ISSUER; ▪ ANNUAL AUDITED FINANCIAL STATEMENTS; ▪ GENERAL INFORMATION SHEET; ▪ AFFIDAVIT OF NON HOLDING OF MEETING; ▪ MONTHLY RECONCILIATION OF PCD & TA; ▪ MONTHLY CERTIFICATION AS TO NUMBER OF SHARES REGISTERED UNDER PCD NOMINEE; ▪ NOTICE OF CHANGE OF ADDRESS; ▪ OTHER REQUIRED REPORTS.	Reprimand/ Warning	P10,000.00 P100.00/day of delay	-
	FAILURE TO MAINTAIN COMPLAINT LOG	Reprimand/ Warning	P10,000.00 P100.00/day of delay	-
SRC Rule 36-4.3	FAILURE TO RETAIN REQUIRED RECORDS	Reprimand/ Warning	P10,000.00 P100.00/day of delay	P25,000.00 P100.00/day of delay
SRC Rule 39.1-1(D)	FAILURE TO SUPERVISE LISTED COMPANIES	Reprimand/ Warning	P50,000.00	P75,000.00
SRC Rule 39.1-1(E)	FAILURE TO COMPLY WITH REQUIREMENTS ON COMPLIANCE & SURVEILLANCE	Reprimand/ Warning	P100,000.00	P150,000.00

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 39.1-1(F)	FAILURE OF SRO TO SUBMIT EXAMINATION CALENDAR OR NOTIFY OF ANY AMENDMENT THERETO	Reprimand/ Warning	P10,000.00	P25,000.00
SRC Rule 39.1-1(F)	FAILURE OF SRO TO EXAMINE MEMBERS DURING ONE EXAMINATION CYCLE	Reprimand/ Warning	P50,000.00	P75,000.00
SRC Rule 39.1-1(F)	FAILURE OF SRO TO FILE MONTHLY REPORTS OF ITS PERIODIC EXAMINATION	Reprimand/ Warning	P10,000.00	P25,000.00
SRC Rule 39.1 –1(F)	FAILURE OF SRO TO SEND DEFICIENCY LETTER, IF WARRANTED	Reprimand/ Warning	P50,000.00	P75,000.00
SRC Rule 39.1 –1 (F)	FAILURE OF SRO TO INITIATE INVESTIGATION, IF WARRANTED	Reprimand/ Warning	P50,000.00	P75,000.00
SRC Rule 39.1-1(G-i)	FAILURE OF SRO TO INVESTIGATE SUSPECTED VIOLATIONS OF SRC SECTIONS 24, 26, 27	Reprimand/ Warning	P50,000.00	P75,000.00
SRC Rule 39.1–1(G-ii)	FAILURE OF SRO TO INVESTIGATE VIOLATION OF RULES ON SALES PRACTICES, ETC.	Reprimand/ Warning	P50,000.00	P75,000.00
SRC Rule 39.1–1(G-iii)	FAILURE OF SRO TO NOTIFY THE COMMISSION OF INVESTIGATION OF VIOLATION OF SRC SECTIONS 24, 26, 27	Reprimand/ Warning	P10,000.00	P25,000.00
SRC Rule 39.1-1(H)	FAILURE TO COMPLY WITH RULES ON DISCIPLINE OF SRO MEMBERS & PARTICIPANTS	Reprimand/ Warning	P50,000.00	P75,000.00

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 39.1–1(I)	FAILURE TO COMPLY WITH DISCIPLINARY ACTION OF THE COMMISSION	Reprimand/ Warning	P50,000.00	P75,000.00
SRC Rule 39.1-1(J)	FAILURE OF SRO TO FILE REQUIRED REPORT	Reprimand/ Warning	P10,000.00	P25,000.00
SRC Rule 39.1-2(B)	FAILURE TO REGISTER AS AN SRO (SEC FORM 39)	Reprimand/ Warning	P200,000.00	-
SRC Rule 39.1-2(C)	FAILURE TO AMEND SEC FORM 39	Reprimand/ Warning	P25,000.00	P50,000.00
SRC Rule 39.1-2(D)	FAILURE OF SRO TO FILE ANNUAL RETURN (SEC FORM 39- AR)	Reprimand/ Warning	P10,000.00	P25,000.00
SRC Rule 39.1-2(F)	FAILURE OF SRO TO SEND TO THE COMMISSION COPIES OF NOTICES, REPORTS OR RECORDS OF CHANGES COVERED BY AMENDMENTS	Reprimand/ Warning	P10,000.00	P25,000.00
SRC Rule 39.1-3	FAILURE TO COMPLY WITH RULES ON ALLOCATION OF REGULATORY RESPONSIBILITIES AMONG SROS	Reprimand/ Warning	P10,000.00	P25,000.00
Section 40.2	FAILURE OF SRO TO COMPLY WITH SRC PROVISIONS	Reprimand/ Warning	P10,000.00	P25,000.00
SRC Rule 40.3	FAILURE OF SRO, REGISTERED EXCHANGE OR TRADING PARTICIPANT AND ANY REGISTERED CLEARING AGENCY TO SUBMIT PROPOSED RULE OR AMENDMENT THERETO OR TO OBSERVE PROCEDURE ON RULE MAKING	Reprimand/ Warning	P10,000.00 P100.00/day of delay	P25,000.00 P100.00/day of delay

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 40.4	FAILURE OF SRO, REGISTERED EXCHANGE OR TRADING PARTICIPANT AND ANY REGISTERED CLEARING AGENCY TO COMPLY WITH THE COMMISSION'S ORDER TO EFFECT CHANGES IN ITS RULE/PRACTICE	Reprimand/ Warning	P10,000.00 P100.00/day of delay	P25,000.00 P100.00/day of delay
Section 40.6	FAILURE OF SRO TO DISCIPLINE A MEMBER OR PARTICIPANT	Reprimand/ Warning	P50,000.00	P75,000.00
Section 40.7	FAILURE OF SRO TO NOTIFY THE COMMISSION OF ANY DISCIPLINARY SANCTION ON ANY MEMBER	Reprimand/ Warning	P10,000.00 P100.00/day of delay	P25,000.00 P100.00/day of delay
Section 41	USE OF UNREGISTERED CLEARING AGENCY	Reprimand/ Warning	P200,000.00	-
SRC Rule 42-1(A)	FAILURE TO REGISTER AS CLEARING AGENCY	Reprimand/ Warning	P200,000.00	-
SRC Rule 42-1(B)	FAILURE OF CLEARING AGENCY TO PAY PRESCRIBED ANNUAL FEE	Reprimand/ Warning	P50,000.00 P100.00/day of delay	P75,000.00 P100.00/day of delay
SRC Rule 42-1(D)	FAILURE TO AMEND APPLICATION INFORMATION	Reprimand/ Warning	P25,000.00 P100.00/day of delay	P50,000.00 P100.00/day of delay
SRC Rule 42-1(E)	FAILURE OF CLEARING AGENCY TO FILE WITH ANNUAL AUDITED BALANCE SHEET ETC.	Reprimand/ Warning	P10,000.00 P100.00/day of delay	P25,000.00 P100.00/day of delay

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 42-2	FAILURE TO REPORT BREACHES OF RULES OR DIFFICULTIES BY PARTICIPANT	Reprimand/ Warning	P10,000.00 P100.00/day of delay	P25,000.00 P100.00/day of delay
SRC Rule 48.1	MARGIN REQUIREMENT	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 49.1-1	NET CAPITAL RULE:			
	BELOW 5% OF AGGREGATE INDEBTEDNESS OR 5MILLION, WHICHEVER IS HIGHER	Reprimand/ Warning	Voluntary suspension	-
	DAILY DETERMINATION & SHOULD BE AVAILABLE ANYTIME UPON REQUEST	Reprimand/ Warning	10,000.00 P100/day of delay	15,000.00 P100/day of delay
	IF BELOW 120%, SUBMIT DAILY COMPUTATION	Reprimand/ Warning	10,000.00 P100/day of delay	15,000.00 P100/day of delay
	LATE FILING OF FINOP REPORT	Reprimand/ Warning	10,000.00 P100/day of delay	15,000.00 P100 day of delay
SRC Rule 49.1-1	EFFECT PROPOSAL (MEASURES TO BE TAKEN) WITHIN 10 DAYS	Reprimand/ Warning	10,000.00 P100.00/day of delay	15,000.00 P100.00/day of delay
	ERRONEOUS COMPUTATION	Reprimand/ Warning	10,000.00	15,000.00
	NOT USING THE REQUIRED FORMAT	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 49.1-1 (H)	VIOLATION OF LIMITATION ON WITHDRAWAL OF EQUITY CAPITAL	Reprimand/ Warning	25,000.00	50,000.00

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 49.2	CUSTOMER PROTECTION RESERVES & CUSTODY OF SECURITIES	Reprimand/ Warning	25,000.00	50,000.00
SRC Rule 49.2-4	VIOLATION OF SPECIAL RESERVE ACCOUNT	Reprimand/ Warning	25,000.00	50,000.00
SRC Rule 49.3	LENDING & VOTING CUSTOMERS SECURITIES	Reprimand/ Warning	25,000.00	50,000.00
SRC Rule 50	PURCHASES AND SALES IN CASH ACCOUNT: -T+3 VIOLATION -FAILURE TO LIQUIDATE (PER TRANSACTION, NO MAXIMUM)	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 52.1-1	BOOKS AND RECORDS RULE: NOT CURRENT NOT AVAILABLE	Reprimand/ Warning Immediate suspension	25,000.00 P200.00/day of delay Immediate suspension	50,000.00 P200.00/day of delay -
SRC Rule 52.1-2	RECORDS RETENTION RULE: PRESERVATION FOR 5 YEARS ACCESSIBLE FOR 2 YEARS CEASED OPERATION	Reprimand/ Warning Reprimand/ Warning Reprimand/ Warning	25,000.00 10,000.00 25,000.00	50,000.00 15,000.00 50,000.00

SRC/IRR Provisions	Description	First Offense	Second Offense	Third Offense
SRC Rule 52.1-4	REPORT OF EXCHANGE MEMBERS, BROKERS, DEALERS TRADING THROUGH MEMBERS	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 52.1-5	FAILURE TO FILE ANNUAL AUDITED FINANCIAL REPORTS OF BROKERS, DEALERS WITHIN THE PERIOD	Reprimand/ Warning	10,000.00 P100.00/day of delay	15,000.00 P100.00/day of delay
SRC Rule 52.1-6	CUSTOMER ACCOUNT INFORMATION RULE (MAXIMUM OF 10 CLIENTS)	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 52.1-7	ORDER TICKET RULE (MAXIMUM OF 10)	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 52.1-8	FAILURE TO SEND CUSTOMER ACCOUNT STATEMENT MONTHLY	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 52.1-9	FAILURE TO PRESERVE SEPARATE FILE OF COMPLAINTS RECEIVED AND ACTION TAKEN	Reprimand/ Warning	10,000.00	15,000.00
SRC Rule 52.1-10	MONTHLY SECURITIES COUNT BY BROKER, DEALER	Reprimand/ Warning	10,000.00	15,000.00

PRE-NEED RULES (Implementing Rules of Section 16 of the SRC)

Pre-need Rule	Violations	First Offense	Second Offense	Third Offense
Rule 3; Rule 35.1	ISSUING, OFFERING FOR SALE OR SELLING PRE-NEED PLANS WITHOUT PRIOR REGISTRATION WITH SEC.	1% of the amount of each transaction or P10,000 per transaction, whichever is higher.	2% of the amount of each transaction or P20,000 per transaction, whichever is higher.	6% of the amount of each transaction or P60,000 per transaction, whichever is higher.
Rule 4	FAILURE TO AMEND REGISTRATION STATEMENT IN ACCORDANCE WITH SRC RULE 14 Change in the Qualitative Terms and Conditions of the Plans	P10,000 plus P100 per day of delay	P20,000 plus P200 per day of delay	P60,000 plus P600 per day of delay
Rule 6.1.a; SEC Memo Circular No. 3, Series of 2002	PRICE INCREASE MADE WITHOUT PRIOR APPROVAL OF SEC	1% of the amount of each sale in excess of the authorized price, or P10,000 per transaction, whichever is higher, plus P100 per day of delay in obtaining approval	2% of the amount of each sale in excess of the authorized price, or P20,000 per transaction, whichever is higher, plus P200 per day of delay in obtaining approval	6% of the amount of each sale in excess of the authorized shares or price, or P60,000 per transaction, whichever is higher, plus P600 per day of delay in obtaining approval
RULE 6.1.b	RESALE OF CANCELLED OR LAPSED PLANS	P50,000	P100,000	P200,000
Rules 6.1.c, 15.4 and 15.6	UNREGISTERED AND UNLICENSED SALESMEN OR GENERAL AGENT	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 6 .1.d; Rule 33	FAILURE TO SECURE PRIOR SEC APPROVAL TO THE FOLLOWING: (1) Appointment of salesmen or general agent; or (2) Opening, closure or transfer of branches	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation

Pre-need Rule	Violations	First Offense	Second Offense	Third Offense
Rule 6.1.f and 16.1	FAILURE TO COMPLY WITH TRUST FUND DEPOSIT RATES USED IN THE ACTUARIAL STUDIES SUBMITTED UNDER RULE 4.1 PAR. 7(i)(c)	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 6.1.i	IMPAIRMENT OF CAPITAL	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 35.4	AUDITED FINANCIAL STATEMENTS: Failure to comply with any of the requirements of PNUCA under Pre-Need rule 31; or Incomplete disclosure per SRC Rule 68	P25,000 plus P500 per day of violation	P50,000 plus P1,000 per day of violation	P100,000 plus P1,000 per day of violation
	MATERIAL MISTATEMENT IN THE FINANCIAL REPORT	P50,000 or 1/10 of 1% of the amount of misstatement, whichever is higher, plus P500 per day of continuing violation	P100,000 or 1/10 of 2% of the amount of misstatement, whichever is higher, plus P1,000 per day of continuing violation	P200,000 or 1/10 of 6% of the amount of misstatement, whichever is higher, plus P2,000 per day of continuing violation
Rule 35.5; Rule 8.1	MISREPRESENTATION OR MISLEADING STATEMENTS IN ANY FILINGS REQUIRED TO BE SUBMITTED TO THE COMMISSION (This is in addition to the penalty on the principal report, if any.)	P100,000 plus P500 per day of continuing violation	P200,000 plus P1,000 per day of continuing violation	P400,000 plus P2,000 per day of continuing violation
	FAILURE TO SUBMIT ANY OF THE CERTIFICATIONS ON CORPORATE GOVERNANCE WHICH WERE REPRESENTED TO BE SUBMITTED	Reprimand/ Warning	P25,000 plus P500 per day of violation	P50,000 plus P1,000 per day of violation
	ANY MISREPRESENTATION IN THE SUBMITTED MANUAL ON CORPORATE GOVERNANCE	Reprimand/ Warning	P50,000 plus P500 per day of continuing violation	P100,000 plus P1,000 per day of continuing violation

Pre-need Rule	Violations	First Offense	Second Offense	Third Offense
Rule 6.1.j; Rule 23.1.2	FAILURE TO PUBLISH THE AUDITED FINANCIAL STATEMENTS WITHIN 120 DAYS AFTER THE END OF FISCAL YEAR	Reprimand/ Warning	P50,000 plus P500 per day of continuing violation	P100,000 plus P1,000 per day of continuing violation
Rule 6.1.k	FAILURE TO PROVIDE A DISCLAIMER PER SEC MEMO CIRCULAR NO. 4, SERIES OF 2004	Reprimand/ Warning	P50,000 plus P500 per day of continuing violation	P100,000 plus P1,000 per day of continuing violation
Rule 6.1.n	VIOLATION OF ANY OTHER CONDITION IMPOSED IN THE CERTIFICATE OF REGISTRATION OR PERMIT TO SELL	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 7.1	FAILURE TO CONSTITUTE A COMPLAINTS ACTION UNIT	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 7.2	FAILURE TO DESIGNATE A COMPLIANCE OFFICER	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
	FAILURE TO TIMELY DISCLOSE CHANGE OF COMPLIANCE OFFICER	Reprimand/ Warning	P30,000 plus P200 per day of delay	P40,000 plus P400 per day of delay
Rule 7.3	LATE FILING OF REQUIRED LIST: accredited mortuaries, telephone numbers and contact person of pre-need selling life plan	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 8.3	REFUSAL TO FURNISH INFORMATION REQUIRED BY THE COMMISSION	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 9.2	FAILURE TO PRODUCE ALL THE BOOKS AND RECORDS OF THE PRE-NEED COMPANY FOR EXAMINATION OF SEC AUDITORS	P100,000 plus P500 per day of delay	P200,000 plus P1,000 per day of delay	P400,000 plus P2,000 per day of delay
Rule 9.3	REFUSAL OF THE ISSUER TO PERMIT EXAMINATION OF A FINANCIAL AND RELATED DOCUMENTS TO BE MADE BY THE COMMISSION	P100,000 plus P500 per day of delay	P200,000 plus P1,000 per day of delay	P400,000 plus P2,000 per day of delay

Pre-need Rule	Violations	First Offense	Second Offense	Third Offense
Rule 12.1	FAILURE TO OBTAIN SEC APPROVAL ON THE AMENDMENT OF ANY: Pre-need Plan Contract; Trust Agreement; Other pertinent documents	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P200,000 plus P800 per day of continuing violation
Rule 13.3	INFORMATION BROCHURE IS NOT ACCURATELY REFLECTING THE TERMS OF THE PLAN OR THE FINANCIAL ABILITY OF THE PRE-NEED COMPANY	Reprimand/ Warning	P50,000	P100,000
Rule 15.1	OPERATION WITHOUT PRIOR SEC REGISTRATION AS DEALER	P100,000 plus P300 per day of continuing violation	P200,000 plus P600 per day of continuing violation	P300,000 plus P800 per day of continuing violation
Rule 16. 4	WITHDRAWAL FROM TRUST FUND OTHER THAN THE *PLANHOLDERS'* BENEFIT **(This is imposable upon the Trustee)**	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 17	FAILURE TO CREATE OR MAINTAIN THE REQUIRED INVESTMENT PORTFOLIO **(This is imposable upon the Trustee)**	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 18	FAILURE TO COMPLY WITH THE LIQUIDITY RESERVE REQUIREMENT **(This is imposable upon the Trustee)**	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 19	FAILURE TO MAKE ADDITIONAL DEPOSITS TO TRUST FUND TO COVER DEFICIENCIES WITHIN THE PRESCRIBED PERIOD	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 20.1	FAILURE OF THE TRUSTEE TO EXERCISE *DUE DILIGENCE FOR* THE PROTECTION OF THE PLANHOLDERS **(This is imposable upon the Trustee)**	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation

Pre-need Rule	Violations	First Offense	Second Offense	Third Offense
RULE 20.2	INVESTMENT OF THE TRUST FUND TO DOSRI OR PROHIBITED ACCOUNTS **(This is imposable upon the Trustee)**	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 21	FAILURE TO COMPLY WITH THE DIRECTIVE OF THE COMMISSION TO CONVERT THE TRUST FUND ASSETS OF THE INVESTMENT TO PROTECT THE INTEREST OF THE PLANHOLDERS (This is imposable upon the Trustee)	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 22	ENCUMBRANCE, CONVEYANCE OR MORTGAGE OVER ALL OR SUBSTANTIALLY ALL THE ASSETS OF THE ISSUER WITHOUT PRIOR APPROVAL OF THE COMMISSION.	P100,000 plus P500 per day upon discovery	P200,000 plus P1,000 per day upon discovery	P400,000 plus P2,000 per day upon discovery
Rule 23	NON-FILING OR LATE FILING OF ANY OF THE FOLLOWING: ▪ Audited Financial Statements; ▪ Actuarial Valuation Report; ▪ Corporate Governance Manual	Reprimand/ Warning	P100,000 plus P500 per day of delay	P200,000 plus P1,000 per day of delay
23.1-23.1.2	INCOMPLETE REPORT (This shall be in addition to the penalty for late filing of the report per due date under the Rules)	Reprimand/ Warning	P10,000 plus P200 per day of delay of filing the amended report	P20,000 plus P400 per day of delay of filing the amended report
Rule 24	NON-FILLING/LATE FILING OF QUARTERLY REPORTS	Reprimand/ Warning	P50,000 plus P300 per day of delay	P60,000 plus P600 per day of delay

Pre-need Rule	Violations	First Offense	Second Offense	Third Offense
Rule 24.1-24.4	INCOMPLETE QUARTERLY REPORT (This shall be in addition to the penalty for late filing of the report per due date under the Rules.)	Reprimand/ Warning	P20,000 plus P300 per day of delay of filing the amended report	P40,000 plus P600 per day of delay of filing the amended report
Rule 25	NON-FILING/LATE FILING OF FOLLOWING MONTHLY REPORTS: ▪ Sales Reports; ▪ Collection Reports; ▪ Trust Fund Deposits; ▪ List of Salesmen Terminated and Apprenticeship; ▪ Trust Fund Statement	Reprimand/ Warning	P50,000 plus P300 per day of delay	P60,000 plus P600 per day of delay
RULE 35	PAYMENT OF EXCESSIVE COMMISSION	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Rule 35.3	OVERPRICING OF PLANS	Reprimand/ Warning	P50,000 plus P300 per day from time of discovery	P60,000 plus P300 per day of from time of discovery

INVESTMENT COMPANY ACT & ICA RULE 35-1

ICA/Rule 35 Provisions	Description	First Offense	Second Offense	Third Offense
Sections 7 and 24	VIOLATION OF REGISTRATION REQUIREMENTS	1% of the amount of each transaction or P10,000 per transaction, whichever is higher.	2% of the amount of each transaction or P20,000 per transaction, whichever is higher.	3% of the amount of each transaction or P60,000 per transaction, whichever is higher.
Section 8	ELECTION OF CERTAIN INELIGIBLE AFFILIATED PERSONS AND UNDERWRITERS	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P150,000 plus P1,800 per day of continuing violation
Section 9	UNAUTHORIZED AFFILIATIONS OF DIRECTORS, OFFICERS AND EMPLOYEES	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P200,000 plus P1,800 per day of continuing violation
Section 10	PROHIBITED OFFERS TO EXCHANGE SECURITIES	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P200,000 plus P1,800 per day of continuing violation
Section 11	UNAUTHORIZED OR ILLEGAL ACTIVITIES OF INVESTMENT COMPANIES	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P200,000 plus P1,800 per day of continuing violation
Section 12	UNAUTHORIZED CHANGES IN INVESTMENT POLICY (Imposable on responsible directors and officers)	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P200,000 plus P800 per day of continuing violation
Section 14	UNAUTHORIZED CONTRACTS OF ADVISERS AND UNDERWRITERS (Imposable on responsible directors and officers)	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P200,000 plus P800 per day of continuing violation
Sections 22 and 23; ICA Rule 35-1 (e)	VIOLATION OF REQUIREMENTS ON DISTRIBUTION, REDEMPTION, AND REPURCHASE OF SECURITIES	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P200,000 plus P800 per day of continuing violation

ICA/Rule 35 Provisions	Description	First Offense	Second Offense	Third Offense
Section 26	EXCESSIVE PERIODIC PAYMENT PLAN	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
Sections 25, 27 & 30; ICA Rule 35-1(e)(3)	FAILURE TO SUBMIT REQUIRED REPORTS UNDER THESE SECTIONS AND/OR TO PUBLISH DAILY PRICES	Reprimand/ Warning	P10,000 plus P200 per day of continuing violation	P20,000 plus P400 per day of continuing violation
Section 32	MISREPRESENTATIONS	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation	P300,000 plus P1,800 per day of continuing violation
ICA Rule 35-1 (d)	VIOLATION OF RECITED INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS	Reprimand/ Warning	P50,000 plus P300 per day of continuing violation	P100,000 plus P600 per day of continuing violation
ICA Rule 35-1 (c)(2)	NON-DEPOSIT OF SALES PROCEEDS TO A CUSTODIAN BANK	P10,000 plus P200 per day of continuing violation	P20,000 plus P400 per day of continuing violation	P50,000 plus P600 per day of continuing violation
ICA Rule 35-1 (c)(3)	REDEMPTION OF ORIGINAL CAPITAL FOR LESS THAN 12 MONTHS	Reprimand/ Warning	P10,000 per redemption	P20,000 per redemption
ICA Rule 35-1 (i)(2)	LATE FILING OF MONTHLY SALES/REDEMPTION REPORT	Reprimand/ Warning	P10,000 plus P200 per day of continuing violation	P20,000 plus P400 per day of continuing violation
ICA Rule 35-1 (e)(3)	FAILURE TO EFFECT REDEMPTION REQUEST WITHIN 7 BANKING DAYS	Reprimand/ Warning	P10,000 per redemption	P20,000 per redemption

ICA/Rule 35 Provisions	Description	First Offense	Second Offense	Third Offense
Section 35 ICA Rule 35-1(g)(1)	FAILURE TO REGISTER AS AN INVESTMENT COMPANY ADVISER	Reprimand/ Warning	100,000.00	-
ICA Rule 35-1(g)(1)-A	FAILURE TO MAINTAIN THE MINIMUM UNIMPAIRED NET WORTH OF AT LEAST P10 M EXCLUSIVE OF REVALUATION SURPLUS	Reprimand/ Warning	25,000.00	50,000.00
Section 40	FAILURE TO REGISTER AGENTS & INVESTMENT SOLICITORS:			
	Company	Reprimand/ Warning	10,000.00	15,000.00
	Individual		5,000.00	7,000.00

FCA/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Sec. 7(c), FCA of 1998; Section 4(a), IRR	ENGAGING IN THE BUSINESS OF A FINANCING COMPANY WITHOUT CERTIFICATE OF AUTHORITY (CA) TO OPERATE AS A FINANCING COMPANY	P 10,000 plus P 100 per day	P 20,000 Plus P 300 per day	P 30,000 Plus P 500 per day
Section 5(b), IRR	FAILURE TO OPERATE WITHIN 120 DAYS FROM GRANT OF CA	P 10,000 Plus P 100 per day	P 15,000 Plus P 200 per day	P 20,000 Plus P 300 per day
Section 6(a), IRR	NO CA TO ESTABLISH/ OPERATE A BRANCH OFFICE	P 10,000 Plus P 100 per day	P 10,000 Plus P 200 per day	P 10,000 Plus P 300 per day
Section 8, IRR	LATE PAYMENT OF ANNUAL FEE BEFORE THE ANNIVERSARY DATE OF CA	Reprimand/ Warning	P 10,000 Plus P 100 per day	P 10,000 Plus P 200 per day
Section 9(a), IRR	INVESTMENT IN REAL ESTATE AND IN SHARES OF STOCK IN A REAL ESTATE DEVELOPMENT CORPORATION AND OTHER REAL BASED PROJECTS IN EXCESS OF 25% OF THE COMPANY'S NETWORTH	Reprimand/ Warning	P 10,000 Plus P 100 per day	P 10,000 Plus P 300 per day
Section 9(b), IRR	LESS THAN 51% OF THE FUNDS HAVE NOT BEEN USED IN FINANCING COMPANY ACTIVITIES	Reprimand/ Warning	P 10,000 Plus P 100 per day	P 10,000 Plus P 300 per day
Section 9(c), IRR	TOTAL CREDIT EXTENDED TO COMPANY'S DIRECTORS, OFFICERS, STOCKHOLDERS AND RELATED INTEREST (DOSRI) IN EXCESS OF 15% OF THE FORMER'S NETWORTH	Reprimand/ Warning	P 10,000 Plus P 100 per day	P 10,000 Plus P 300 per day

FCA/IRR Provisions	Description	First Offense	Second Offense	Third Offense
Section 9(d), IRR	TOTAL CREDIT EXTENDED TO THIRD PERSON (SINGLE BORROWER LIMIT) IN EXCESS OF 30% OF THE COMPANY'S NETWORTH	Reprimand/ Warning	P 10,000 Plus P 100 per day	P 10,000 Plus P 300 per day
Section 11, IRR	IMPAIRMENT OF PAID-UP CAPITAL	Reprimand/ Warning	P 10,000	P 15,000
Section 13(a), IRR	LATE FILING OF QUARTERLY REPORTS	Reprimand/ Warning	P 10,000 Plus P 100 per day	P 10,000 Plus P 200 per day
Section 13(b), IRR	LATE FILING OF ANNUAL AUDITED FINANCIAL STATEMENTS	Reprimand/ Warning	P 10,000 Plus P 100 per day	P 10,000 Plus P 200 per day.
AMLA, as amended	FAILURE TO FILE ANTI-MONEY LAUNDERING OPERATING MANUAL	P100,000	-	-
SEC Circular No. 2, S. 2002	FAILURE TO TIMELY SUBMIT MANUAL ON CORPORATE GOVERNANCE	Reprimand/ Warning	P500 per day	-
	FAILURE TO SUBMIT ANY OF THE FOLLOWING CERTIFICATION, AS REPRESENTED IN THE MANUAL: Certification by Corporate Secretary on the Attendance of Directors Certification by the Compliance Officers on the Extent of Compliance *with Manual on Corporate* Governance	Reprimand/ Warning	P 10,000 Plus P 100 per day	P 10,000 Plus P 200 per day

FCA/IRR Provisions	Description	First Offense	Second Offense	Third Offense
	FAILURE TO COMPLY WITH OTHER REPRESENTATIONS IN THE MANUAL OF CORPORATE GOVERNANCE	Reprimand/ Warning	P 10,000 Plus P 200 per day	P 10,000 Plus P 300 per day

Continued non-payment of the assessed fine and/or failure to comply with the requirement, despite notice and hearing for a period of fifteen (15) days, shall be a sufficient ground for the Commission to take other appropriate action or remedies available under the Securities Regulation Code and other related laws.

The commission of a fourth offense for the same violation is a ground for the suspension/revocation of the erring company's registration or secondary license which shall be made after notice and hearing, in accordance with the above-mentioned procedures. Erring companies which are primarily regulated by other government agencies shall be endorsed thereto.

The imposition of the foregoing penalties shall be without prejudice to the imposition of other administrative sanctions or to the filing of criminal charges against the person/s responsible for the violation.

This Circular shall be published in two (2) newspapers of general circulation in the Philippines and shall take effect within fifteen (15) days after the date of the last publication.

Signed on behalf of the Commission on September 22, 2005, Mandaluyong City, Philippines.

JE B. BARIN
Chairperson