



Republic of the Philippines
Department of Trade and Industry
Securities and Exchange Commission
SEC Bldg. EDSA, Greenhills, Mandaluyong City

OFFICE OF THE GENERAL ACCOUNTANT

IN THE MATTER OF :
: **SUSPENSION OF GROUP C**
: **ACCREDITATION**
MR. JUBAL L. AYO :
:
X-----X

O R D E R

The Office of the General Accountant (“OGA”) conducted a review of the 2007 Audited Financial Statements (“AFS”) of several broker-dealer companies which include that of Regina Capital Development Corporation (“RCDC”) and Marian Securities, Inc. (“MSI”), which are required to be audited by an external auditor with Group B accreditation. As a result of said evaluation, it showed that the AFS of said companies were audited and certified by Mr. Jubal L. Ayo, an external auditor accredited by the Commission only under Group C category, in violation of SEC Memorandum Circular No. 13, Series of 2006 (“Circular”). Moreover, there were material deviations and deficiencies noted in the 2007 AFS of said companies.

On February 09, 2009, a show cause letter was sent to Mr. Ayo directing him to explain why he should not be held liable for certifying the 2007 AFS of RCDC and MSI. He failed to respond to the said show cause letter. An assessment letter was therefore issued to him on May 12, 2009, imposing to him a penalty of FIFTY THOUSAND PESOS (Php 50,000.00) as provided for under the Circular.

On July 20, 2009, a Notice of Hearing was sent to Mr. Ayo for the suspension of his Group C accreditation. Mr. Ayo appeared on the said hearing and manifested that he no longer audited the 2008 AFS of RCDC and MSI. He likewise undertook to settle the penalty assessed on him on July 29, 2009, and to submit an undertaking to improved his audit work. On August 03, 2009, a follow-up letter was sent to Mr. Ayo. However, Mr. Ayo has failed to settle the said penalty.


In view of the foregoing, the Commission in its meeting on November 12, 2009, resolved to **SUSPEND** the Group C accreditation of **MR. JUBAL L. AYO** for a period of **NINETY (90)** days effective November 12, 2009.

It is further resolved that in the event Mr. Ayo fails to settle the FIFTY THOUSAND PESOS (Php 50,000.00) assessed fine within the said 90-day period, the Commission shall proceed with the delisting of his accreditation.

SO ORDERED.

EDSA Greenhills, Mandaluyong City, Philippines.

November 12, 2009.



MA. GRACIA F. CASALS-DIAZ
General Accountant
Incho