

SCALES OF FINES

(SEC Memorandum Circular No. 6, Series of 2005)

SECURITIES REGULATION CODE				
SRC/IRR Provision	DESCRIPTION	1 ST Offense	2 ND Offense	3 RD Offense
Section 8 and 12; 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 P10,000.00 per transaction whichever is higher	1% of the amount of each transaction or P20,000.00 per transaction whichever is higher	1% of the amount of each transaction or P60,000.00 per transaction whichever is higher
Section 10; Rule 10.1	Late filing of Notice of Exemption pursuant to SRC Rule 10.1 (k & l)	P2,000.00 plus P100.00 per day of delay For Listed Companies: P10,000.00 plus P100.00 per day of delay	P4,000.00 plus P200.00 per day of delay For Listed Companies: P20,000.00 plus P200.00 per day of delay	P12,000.00 plus P200.00 per day of delay For Listed Companies: P60,000.00 plus per day of delay
	Non-Compliance with the disclosure requirements under SRC Rule 10.1	P10,000.00 plus P100.00 per day of delay	P20,000.00 plus P200.00 per day of delay	P60,000.00 plus P600.00 per day of delay
Section 14; Rule 14	Failure to Amend Registration Statement in accordance with SRC Rule 14	P10,000.00 plus P100.00 per day of delay	P20,000.00 plus P200.00 per day of delay	P60,000.00 plus P600.00 per day of delay
	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 P10,000.00 per transaction whichever is higher, plus P100.00 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 P20,000.00 per transaction whichever is higher, plus P200.00 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 P60,000.00 per transaction whichever is higher, plus P600.00 per day of delay of the filing of the amendment
	Failure to timely publish the notice of amendments	P10,000.00 plus P100.00 per day of delay	P20,000.00 plus P200.00 per day of delay	P60,000.00 plus P600.00 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 P100.00 per day of delay	15% of the amount of the unrefunded investment plus P200.00 per day of delay	30% of the amount of the unrefunded investment plus P600.00 per day of delay
Section 17.1 Rule 17	Late filing of Current Report (SEC Form 17-C)	Reprimand/Warning	P30,000.00 plus P200.00 per day of delay	P40,000.00 plus P400.00 per day of delay
Section 17.1 Rule 17	Incomplete Current Report* (SEC Form 17-C)	Reprimand/Warning	P10,000.00 plus P200.00 per day of delay of filing the amended report	P20,000.00 plus P400.00 per day of delay of filing the amended report
Section 17.1 Rule 17	Late filing of Quarterly Report (SEC Form 17-Q)	Reprimand/Warning	P50,000.00 plus P300.00 per day of delay	P60,000.00 plus P600.00 per day of delay
Section 17.1 Rule 17	Incomplete Quarterly Report* (SEC Form 17-Q)	Reprimand/Warning	P20,000.00 plus P300.00 per day of delay of filing the amended report	P60,000.00 plus P600.00 per day of delay of filing the amended report
Section 17.1 Rule 17	Late filing of Annual Report (SEC Form 17-A)	Reprimand/Warning	P100,000.00 plus P500.00 per day of delay	P200,000.00 plus P1,000.00 per day of delay

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Section 17.1 Rule 17	Incomplete Annual Report* (SEC Form 17-A)	Reprimand/Warning	P30,000.00 plus P500.00 per day of delay of filing the amended report	P60,000.00 plus P1,000.00 per day of delay of filing the amended report
Section 17.1 Rule 17	Late filing of notice of suspension to file reports (SEC Form 17-EX)	P10,000.00 plus P100.00 per day of delay	P20,000.00 plus P200.00 per day of delay	P50,000.00 plus P600.00 per day of delay
Section 17.1 Rule 17	Late filing of Monthly Report on Exempt Commercial Papers	Reprimand/Warning	P10,000.00 plus P100.00 per day of delay	P20,000.00 plus P200.00 per day of delay
Section 17.1 Rule 17	Late filing of Quarterly Report on Exempt Commercial Papers	Reprimand/Warning	P20,000.00 plus P100.00 per day of delay	P40,000.00 plus P200.00 per day of delay
Section 17.1 Rule 17	Late filing Annual Information Statement on Commercial Papers and/or Payment of Annual Exemption Fee	Reprimand/Warning	P20,000.00 plus P100.00 per day of delay	P40,000.00 plus P200.00 per day of delay
Section 18 Rule 18	Late filing of reports by 5% or more holders of equity security (SEC Form 18-A/18-AS)	Reprimand/Warning	1% of the amount of each sale in excess of the authorized shares or price, or P10,000.00 per transaction whichever is higher, plus P100.00 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 P20,000.00 per transaction whichever is higher, plus P200.00 per day of delay of the filing of the amendment
	Incomplete reports by 5% or more holders of equity securities* (SEC Form 18-A/18-AS)	Reprimand/Warning	P10,000.00 plus P300.00 per day of delay of the submission of the amended report	P20,000.00 plus P600.00 per day of delay of the submission of the amended report
Section 19 Rule 19	Late filing of Tender Offer Report (SEC Form 19-1)	P50,000.00 plus P500.00 per day of delay of filing the report	P100,000.00 plus P1,000.00 per day of delay of filing the report	P200,000.00 plus P2,000.00 per day of delay of filing the report
	Incomplete Tender Offer Report* (SEC Form 19-1) <small>This shall be in addition to the penalty for late filing of the report per due date under the Rules.</small>	P30,000.00 plus P500.00 per day of delay of filing the amended report	P60,000.00 plus P1,000.00 per day of delay of filing the amended report	P120,000.00 plus P2,000.00 per day of delay of filing the amended report
	Failure to conduct a Tender Offer pursuant to SRC Rule 19.1	P100,000.00 or .01% of the aggregate amount of the tender offer, whichever is higher plus P500.00 per day of delay	P200,000.00 or .02% of the aggregate amount of the tender offer, whichever is higher plus P1,000.00 per day of delay	P300,000.00 or .06% of the aggregate amount of the tender offer, whichever is higher plus P2,000.00 per day of delay
	Failure to comply with any other requirements of SRC Rule 19-1	P50,000.00 plus P500.00 per day of continuing violation	P100,000.00 plus P1,000.00 per day of continuing violation	P200,000.00 plus P2,000.00 per day of continuing violation
Section 20 Rule 20	Late Filing of Information Statement (SEC Form 20-IS)	Reprimand/ Warning	P100,000.00 plus P500.00 per day of delay	P200,000.00 plus P1,000.00 per day of delay
	Incomplete Information Statement	Reprimand/Warning	P30,000.00 plus P500.00 per delay of filing the amended report	P60,000.00 plus P1,000.00 per delay of filing the amended report
	Failure to comply with any of the other procedural requirements of SRC Rule 20	Reprimand/ Warning	P50,000.00 plus P500.00 per delay of filing the amended report	P100,000.00 plus P1,000.00 per delay of filing the amended report
Section 23	Late Filing of Statement of Beneficial	Reprimand/	1% of the amount of	2% of the amount of

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Rule 23	Ownership (SEC Form 23-A/B)	Warning	each purchase or disposition, or P10,000.00 per transaction whichever is higher plus P100.00 per day of delay	each purchase or disposition, or P20,000.00 per transaction whichever is higher plus P200.00 per day of delay
Section 23 Rule 23	Incomplete Statement of Beneficial Ownership (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	P10,000.00 plus P100.00 per day of delay of submission of the amended report	P10,000.00 plus P100.00 per day of delay of submission of the amended report
FOR DIRECTORS/OFFICERS				
	Qualifying or not more than 100 shares	Reprimand/ Warning	P10,000.00 plus P100.00 per day of delay of the submission of the report	P20,000.00 plus P200.00 per day of delay
	More than 100 shares but less than 5% of the outstanding equity security	Reprimand/ Warning	P20,000.00 plus P100.00 per day of delay	P40,000.00 plus P200.00 per day of delay
	More than 5% but less than 10%	Reprimand/ Warning	P10,000.00 plus P100.00 per day of delay	P20,000.00 plus P200.00 per day of delay
Section 38 Rule 38	Failure to elect Independent Director(s) or Election of an Unqualified Independent Director(s)	Reprimand/ Warning	P100,000.00 plus P500.00 per day of continuing violation	P150,000.00 plus P1,000.00 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)	P100,000.00 plus P500.00 per day of continuing violation	P200,000.00 plus P1,000.00 per day of continuing violation	P400,000.00 plus P2,000.00 per day of continuing violation
Section 68	Failure to comply with any of the requirements of SRC Rule 68 or Incomplete disclosures in the Financial Statements (This is in addition to the penalty on the principal report, if any)	P25,000.00 plus P500.00 per day of violation	P50,000.00 plus P1,000.00 per day of violation	P100,000.00 plus P1,000.00 per day of violation
	Material misstatements in the Financial Report	P50,000.00 or 1/10 of 1% of the amount of misstatement, whichever is higher, plus P500.00 per day of continuing violation	P100,000.00 or 1/10 of 2% of the amount of misstatement, whichever is higher, plus P1,000.00 per day of continuing violation	P200,000.00 or 1/10 of 6% of the amount of misstatement, whichever is higher, plus P2,000.00 per day of continuing violation

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.