

[SEC MEMORANDUM CIRCULAR NO. 1, S. OF 2010, March 18, 2010]

ADOPTION OF THE BROKER-DEALER CHART OF ACCOUNTS

The Commission, in its meeting dated 17 December 2009, approved the adoption as part of its rules, of the Broker-Dealer Chart of Account (BDCA) for implementation by all registered broker-dealers in securities which include both trading and non-trading participants of the Philippine Stock Exchange.

The BDCA, which can be viewed and downloaded at www.sec.gov.ph, shall be applied henceforth to all financial statements of broker-dealers starting 01 January 2011.

Accordingly, failure to comply with the BDCA which was issued pursuant to Section 68 of the Securities Regulation Code shall subject the erring party sanctions provided under SEC Memorandum Circular No. 8, Series of 2009 or the Scale of Fines for Non- Compliance with the Financial Reporting Requirements of the Commission, as follows:

Annual Financial Statements

Violation	First Offense
Material deficiency in the financial statements or non-compliance with the requirements of the Rules	Deficit P2,500
	Retained Earnings:
	Up to P1,000,000 P5,000
	P1,000,000 to P10,000,000 6,000
	P10,000,001 to P20,000,000 7,000
	P20,000,001 to P30,000,000 8,000
	Above P30,000,000 9,000

Interim Financial Statements

Violation	First Offense
Material deficiency in the financial statements or non-compliance with the requirements of the Rules	Deficit P2,500
	Retained Earnings:
	Up to P1,000,000 P5,000
	P1,000,000 to P10,000,000 6,000
	P10,000,001 to P20,000,000 7,000
	P20,000,001 to P30,000,000 8,000
	Above P30,000,000 9,000

For purposes of wider dissemination, this Memorandum Circular shall be published in a newspaper of general circulation.

Adopted: 18 March 2010

FOR THE COMMISSION EN BANC:

(SGD.) FE B. BARIN
Chairperson

