

# FILING A COMPLAINT

What does an investor do when a problem arises?

Why should I file a complaint?



A complaint may be lodged by an investor if he/she believes that a brokerage firm or trading participant has:

violated securities laws and rules

been negligent in handling the client's account

not duly accommodated the client's request and/or inquiries

committed fraud and/or other questionable acts

**The investor may initially inform the brokerage firm about the complaint.** Similarly, the investor may ask for an explanation on any transaction that he or she does not understand or has not authorized.

**You may also contact the brokerage firm.**

If the investor is not satisfied with the trading participant's initial response, he or she may further discuss the issue with the brokerage firm's other authorized representatives, including the Associated Person and/or the Compliance Officer. The investor may retain copies of correspondences with the brokerage firm, considering that these records may be used in an investigation.



I'm not satisfied with their response. What should I do?



You can contact CMIC by:



sending an  
electronic mail to  
[info@cmic.com.ph](mailto:info@cmic.com.ph) and  
[ied@cmic.com.ph](mailto:ied@cmic.com.ph)

and/or calling  
**(+63)8876-4580**



Contacting the brokerage firm first is not a requisite for contacting or filing a complaint with CMIC. If the investor, after due assessment, believes that he or she should immediately notify or file a complaint with CMIC, he or she may do so.

CMIC

# What can CMIC do?



**CMIC investigates complaints** against brokerage firms, including their officers and employees, for possible violations of securities laws and rules. Generally, these complaints are filed by clients or customers of brokerage firms.

CMIC may also act on anonymous complaints or referrals, which contain sufficient leads or particulars.

## **After an investigation, CMIC may:**

- impose disciplinary actions on brokerage firms, including their officers and employees; and/or
- refer complaints to the Securities and Exchange Commission (SEC) and/or the Philippine Stock Exchange (PSE) for further action or possible criminal prosecution, for issues/matters over which CMIC has no jurisdiction.



**INVESTOR A**  
Online 5m ago



**INVESTOR B**  
Active Now



09:30 AM



Can CMIC grant damages in favor of an investor or compel a brokerage firm to compensate the investor?

10:00 AM



CMIC can neither grant damages in favor of an investor nor compel a brokerage firm to compensate the investor. CMIC can only impose sanctions, as provided and limited by the rules. These may include a written reprimand, fines, suspensions, and take overs.



For damages and other similar actions, the investor needs to file a case with the appropriate courts.



Seen 10:01 AM

01:00 PM



Can an investor ask for legal assistance from CMIC?

01:52 PM

CMIC can explain to the investor the procedures on, and the consequences of filing, a complaint against a trading participant. However, once a complaint is filed, CMIC cannot act on behalf of the client because it is the entity that conducts the investigation and as a necessary consequence, it has to be impartial.



The investor, nonetheless, may engage the services or seek the advice of a lawyer.



THANK YOU





investors compl x +

http://investorcomplaintcmic.com.ph



# SUBMIT A COMPLAINT FORM TO CMIC

Should the investor decide to file a formal complaint with CMIC, he or she should file an official complaint form.



**DOWNLOAD HERE**

<http://www.cmic.com.ph/main/forms.html>

Any complaint or referral to CMIC for investigation and/or resolution should be in writing and should state the particulars of the complaint or referral.

The complaint or referral may be sent to CMIC through any of the following means:

## Website

<http://www.cmic.com.ph/main/home.html>

## Personal delivery or registered mail

10F, Philippine Stock Exchange Tower, 5th Avenue corner 28th Street, Bonifacio Global City, Taguig

## Electronic mails

[info@cmic.com.ph](mailto:info@cmic.com.ph)  
&  
[ied@cmic.com.ph](mailto:ied@cmic.com.ph)

It must be emphasized that as a general rule, **the investor has to file a complaint with CMIC within six (6) months from knowledge of the commission of the alleged illegal and/or negligent act.**



# What are the investigation procedures?

Filing an official investor complaint triggers an administrative case against the brokerage firm, and will necessarily require the client's cooperation throughout the investigation.

**Substantially, the following are the procedures implemented when a complaint is filed with CMIC:**

CMIC will assess if the complaint warrants the conduct of an investigation.

Upon receipt of the written explanation, the complainant must reply within five trading days from notice.

Failure to respond of the complainant may lead to the dismissal of the case.

Upon receipt of the rejoinder to the reply, CMIC may request the complainant to comment on the rejoinder within five trading days from notice.

Depending on the resolution of the case, both parties have the option to appeal the resolution to the CMIC Board of Directors within ten (10) trading days from the receipt of the resolution.

If the complaint justifies an investigation, CMIC will send a show cause letter to the brokerage firm, which will have ten (10) trading days to file its written explanation.

After receipt of the complainant's reply, the brokerage firm may file a rejoinder to the said reply within five trading days from notice.

Upon receipt of the submissions by the parties, CMIC may:

- a. hold an informal hearing
- b. request a special audit of the brokerage firm
- c. immediately proceed with the resolution of the case.