

## PROPOSED AMENDMENT TO DEFINITION OF TERMS

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| PROPOSED AMENDMENT TO      | : | Definition of Terms<br>[Traders and Salesmen]  |
| Reference No.              | : | Proposal No. 004-2012  |
| Rationale for the Proposal | : | To make the terms pertaining to salesmen of a Dealing Participant and a Brokering Participant as defined by the PDEX Rules more consistent with the Securities Regulation Code |

| <i>CURRENT RULE</i>  | <i>PROPOSED AMENDMENT</i>  |
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| <p><b>Definition of Terms</b><br/>As used in these Rules, the following terms shall have the definitions given herein:</p> <p>1. x x x</p> <p>21. <b>‘Qualified Investor’</b> shall refer to an investor that is not an SEC-registered dealer or broker, and is any of the Qualified Investors as defined under the relevant SEC rules and regulations.</p> <p>22. <b>‘Qualified Investor Participant’</b> shall refer to the type of Trading Participant that is a Qualified Investor.</p> <p>25. <b>‘Salesmen’</b> shall refer to the SEC-registered salesman designated sales personnel of the Brokering Participant authorized to buy or sell securities for the account of its Customers in the PDEX Trading System and registered as such by PDEX.</p> <p>30. <b>‘Traders’</b> shall refer to the SEC-registered salesman designated dealing personnel of the Dealing Participant or Qualified Investor Participant authorized to buy or sell securities for its own account in the PDEX Trading System and registered as such by PDEX.</p> <p>33. <b>‘Trading Participant’</b> shall refer to any person or legal entity that has been qualified to trade on the PDEX Trading System.</p> | <p><b>Definition of Terms</b><br/>As used in these Rules, the following terms shall have the definitions given herein:</p> <p>1. x x x</p> <p>21. <b>‘Qualified Investor’</b> shall refer to an investor that is not an SEC-registered dealer or broker, and is any of the Qualified Investors as defined under the relevant SEC rules and regulations, <u>or the designated personnel of the Qualified Investor Participant authorized to buy or sell Securities for its own account in the PDEX Trading System and registered as such by PDEX.</u></p> <p>22. <b>‘Qualified Investor Participant’</b> shall refer to the type of Trading Participant that is <u>a Qualified Investor an investor that is not an SEC-registered dealer or broker, and is any of the Qualified Investors as defined under the relevant SEC rules and regulations.</u></p> <p>25. <b>‘Broker Salesmen’</b> shall refer to the SEC-registered salesman designated sales personnel of the Brokering Participant authorized to buy or sell securities for the account of its Customers in the PDEX Trading System and registered as such by PDEX.</p> <p>30. <b>‘<del>Traders-Dealer Salesmen</del>’</b> shall refer to the SEC-registered salesman designated dealing personnel of the Dealing Participant <u>or Qualified Investor Participant</u> authorized to buy or sell securities for its own account in the PDEX Trading System and registered as such by PDEX.</p> <p>33. <b>‘<del>Trading</del>PDEX Participant’</b> shall refer to any person or legal entity that has been qualified to trade on the PDEX Trading System. (This term shall be renumbered as No. 19 and the terms coming after it shall likewise be renumbered accordingly.)</p> |

Except for Rule 1.3(3)(b), all references to the terms “Salesmen”, “Traders” and “Trading Participants” in the PDEX Rules shall be replaced with the terms “Broker Salesmen”, “Dealer Salesmen” and “PDEX Participants”, respectively except when the Traders refer to a Qualified Investor, then such will be replaced by Qualified Investor.