

**PROPOSED AMENDMENTS TO THE
PDEX RULES FOR THE FIXED INCOME SECURITIES MARKET, AS AMENDED:
ENROLLMENT OF SECURITIES ISSUED UNDER ASEAN+3 MULTI-CURRENCY BOND ISSUANCE
FRAMEWORK**

PROPOSED AMENDMENTS TO : Rule 7 Listing and Enrollment

Reference No. : Proposal No. 002 -2017

Rationale for the Proposal : To recognize the ASEAN+3 Multi-Currency Bond Issuance Framework (AMBIF) in the PDEX Listing Rules to allow listing by ASEAN+3 Issuers

ACTION : FOR SEC APPROVAL

PDEX RULES	
CURRENT RULE	PROPOSED AMENDMENT
<p>Rule 7.23. Transitory Provision for Enrollment of Public Issues (new 072511)</p> <p>Notwithstanding Rule 7.19.1 and 7.19.2 above, Securities that were originally publicly distributed and issued on or before January 31, 2010, may also be enrolled under these Rules, provided that non-Qualified Investors thereof may only place sell orders on such Securities.</p>	<p>Rule 7.23. Transitory Provision for Enrollment of Public Issues (new 072511)</p> <p>Notwithstanding Rule 7.19.1 and 7.19.2 above, Securities that were originally publicly distributed and issued on or before January 31, 2010, may also be enrolled under these Rules, provided that non-Qualified Investors thereof may only place sell orders on such Securities.</p> <p>New Provision to be numbered as 7.24</p> <p><u>Rule 7.24 Enrollment of Securities Issued Under AMBIF</u></p> <p><u>The following section shall apply to the enrollment of Securities issued under the ASEAN+3 Multi-Currency Bond Issuance Framework as defined below:</u></p> <p><u>7.24.1 Definition of Terms</u></p> <p>a. <u>‘ASEAN+3 Multi-Currency Bond Issuance Framework (AMBIF)’ shall refer to the framework for standardized intra-regional bond and note issuances and investment processes amongst participants of the ASEAN+3. The AMBIF is an initiative of the Asian Development Bank (ADB), through its ASEAN+3 Bond Market Forum (ABMF) formed under the ADB’s Asian Bond Market Initiative (ABMI).</u></p>

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	<p>b. <u>'ASEAN+3' shall refer to China, Japan, South Korea (the "plus 3") and Association of Southeast Asian Nations (ASEAN) member countries participating under the AMBIF which, as of 2016, include Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.</u></p> <p>c. <u>'AMBIF Issuer's Representative' shall refer to a duly licensed domestic juridical person, appointed by the AMBIF Issuer to act as its local representative.</u></p> <p>d. <u>'Non-Resident Issuer' shall refer to any corporation in ASEAN+3 except in the Philippines.</u></p> <p><u>7.24.2 The issuer of AMBIF Securities is a Non-Resident Issuer.</u></p> <p><u>7.24.3 The Non-Resident Issuer must appoint an AMBIF Issuer's Representative. The appointed 'AMBIF Issuer's Representative' must meet the following minimum eligibilities:</u></p> <p>a. <u>Has an operating history of at least 5 years with the exemption of affiliates of the non-resident issuers.</u></p> <p>b. <u>No civil, criminal or administrative cases decided with finality in the past 5 years or claims filed against it or any of its officers/directors in any local or foreign jurisdiction</u></p> <p>c. <u>Must be a corporation or a partnership duly licensed by the applicable governmental authorities to conduct business in the Philippines such as but not limited to:</u></p> <p style="padding-left: 40px;">i. <u>A subsidiary or affiliate of the Issuer;</u></p> <p style="padding-left: 40px;">ii. <u>A law firm;</u></p> <p style="padding-left: 40px;">iii. <u>An accounting firm; or</u></p> <p style="padding-left: 40px;">iv. <u>A bank or an investment house</u></p> <p><u>7.24.4 The AMBIF Issuer's Representative shall perform the following minimum functions:</u></p> <p>a. <u>Fulfill compliance with Issuer's ongoing disclosure obligations.</u></p>

PDE_x RULES	
CURRENT RULE	PROPOSED AMENDMENT
	<p>b. <u>Receive writs, summons, letters, orders or any other documents relating to the Securities on the Philippines in behalf of the Non-Resident Issuer.</u></p> <p>c. <u>Liaise with relevant government authorities relating to the issuer and offer of the Securities in the Philippines on behalf of the Issuer.</u></p> <p><u>7.24.5 Failure of the appointed AMBIF Issuer's Representative to comply with the above functions shall promptly cause an immediate replacement by the Issuer of a new AMBIF Issuer's Representative.</u></p> <p><u>7.24.6 The Securities must have a Facility Agent (or Trustee, if required under the terms and conditions of the issue) that has no interest in or relation to the Issuer and to the AMBIF Issuer's Representative which may conflict with the performance of its functions, and shall disclose any relation or interest in the Underwriter/Arranger/Issue Manager. The Facility Agent or Trustee shall perform the following minimum functions as contained in Rule 7.3.8.</u></p> <p><u>7.24.7 Except as otherwise provided in this Rule 7.24, all other Listing and Enrollment Rules in Section 7 shall apply to AMBIF Securities.</u></p>