

**PROPOSED AMENDMENT TO THE  
TRADING CONVENTIONS ON SETTLEMENT DATE**

**PROPOSED AMENDMENT TO** : Paragraph 6 of the Trading Conventions For Fixed Income Securities In The Public Market, As Amended (“Trading Conventions”) on the Standard Settlement Date

**Rationale for the Proposal** : The proposal is meant to recognize T+2 and T+3 as non-standard settlement dates for fixed income securities transactions that may be justified in instances such as, but not limited to:

- Standard T+1 settlement date falls on a security’s settlement break (closed period prior to coupon payment)
- Client on a brokered or qualified investor trade is off-shore, who may be on a different time zone and may need to source foreign exchange.

The proposal shall maintain optimum price liquidity for quotes for standard settlement by retaining T+1 as the standard settlement date.

The proposed revision to the Trading Conventions shall not supersede any regulation for BSP-regulated entities, which would need to have appropriate authority, if required, to engage in T+2 and T+3 FI trades.

<b>CURRENT CONVENTION</b>	<b>PROPOSED AMENDMENT</b> <i>(as approved by the Market Governance Board)</i>
<p><b>6. Standard Settlement Date.</b> The standard settlement date for Fixed Income Securities traded through PDEX Trading System shall be the next Trading Day following the Trading Day when the trades were executed (“T+1”).</p>	<p><b>6. Settlement Date.</b></p> <p><b>6.1. Standard Settlement Date.</b> The standard settlement date for Fixed Income Securities traded <del>through</del> <u>on</u> PDEX Trading System shall be the next Trading Day following the Trading Day when the trades were executed (“T+1”).</p> <p><b>6.2. Spot Settlement Date.</b> <u>If a trade cannot be settled using the standard settlement date, the maximum spot settlement date for Fixed Income Securities traded on PDEX shall be on the third Trading Day following the Trading Day when the trades were executed (“T+3”).</u></p>