

Trading & Settlement Operating Guidelines**AYALA LAND, INC.****4.50% Fixed Rate Bonds Due 2022****1. Coverage**

1.1. These Trading and Settlement Operating Guidelines shall apply to trades on the following securities (“Bonds”) of **AYALA LAND, INC.** (ALI or the “Issuer”) upon their listing on the Philippine Dealing & Exchange Corp. (PDEX).

1.1.1. ALI 4.50% Fixed Rate Bonds Due 2022 (“ALI 4.50% Bonds Due 2022”)

1.2. A PDEX Trading Participant that trades on the Bonds shall be bound by these Trading and Settlement Operating Guidelines for the Bond (Guidelines), the Trading Conventions for Fixed Income Securities in the Public Market (PDEX Trading Conventions), and the PDEX Rules for the Fixed Income Securities Market, as Amended (PDEX Rules).

2. Pricing Convention. Quotations for the Bonds shall be expressed in terms of Clean Price (i.e., price without accrued interest), exclusive of any applicable withholding tax. The Trading System shall calculate an implied Yield to Maturity.

3. Day Count Standard. The day count standard shall be 30E/360 ISMA non end of month.

4. Series Names in Trading System. There shall be two (2) series names for the Bonds in the corporate securities board of the Trading System. The two (2) series names for the Bonds are being made available solely for settlement value computation purposes, and should neither be construed as two (2) separate tranches or series nor as separate securities.

4.1. Tax-Withheld Series Name - the settlement value of a done trade on this series name shall be computed on a tax-withheld basis, based on a withholding tax rate of 20%.

4.1.1. ALI 4.50% Fixed Rate Bonds Due 2022 - “ALI 22 4.5”

4.2. No Withholding Tax (NWT) Series Name - suffix “NWT” indicates that the settlement value of a done trade on this series name shall be computed on a no tax-withheld basis.

4.2.1. ALI 4.50% Fixed Rate Bonds Due 2022 - “ALI 22 4.5-NWT”

4.3. The main series name provides a description of the following information regarding the Bonds:

4.3.1. Issuer Symbol - **ALI**

4.3.2. Maturity Year - **22** (i.e., 2022)

4.3.3. Coupon Rate - **4.5** (i.e., 4.50%)



5. Trading Mechanics

51. Tax-Withheld Series Name

51.1. Orders for the account of tax-withheld investors and Dealing Participants trading for their own proprietary position shall be dealt using the tax-withheld series name.

51.2. Market Making Participants (Market Makers) shall post prices using the tax-withheld series name.

52. **No Withholding Tax Series Name.** Orders for the account of investors not subject to withholding tax shall be dealt using the no-withholding tax series name.

6. Responsibilities of Trading Participants with Respect to the Bonds

61. A Trading Participant shall determine the eligibility and suitability of each buyer, and ensure that the buyer fully understands the terms and conditions of, and the risks involved in investing in the Bonds, including the option feature of the Bonds.

7. Record Date for the Bonds

71. The Record Date for the Bonds due is the second (2nd) business day prior to the relevant Interest Payment Date.

8. Settlement Policy for Corporate Security Transactions.

All corporate security transactions executed on the PDEX Trading System shall be settled through the PDSClear System (formerly eDvP System) in accordance with the PDEX Rules.

9. Restrictions on Transfers across Tax Status

In accordance with the Terms and Conditions of the Bonds, bondholders may transfer their Bonds at any time, regardless of tax status of the transferor vis-à-vis the transferee. Should a transfer between Bondholders of different tax status occur on a day which is not an Interest Payment Date, tax exempt entities trading with non-tax exempt entities shall be treated as non-tax exempt entities for the interest period within which such transfer occurred. Transfers taking place in the Register of Bondholders after the Bonds are listed in PDEX may be allowed between taxable and tax-exempt entities without restriction provided the same are in accordance with the relevant rules, conventions and guidelines of PDEX and PDTC.