

PROPOSED RULE RECOGNIZING THE INSTITUTIONAL BROKER IN THE PDEX RULES

PROPOSED AMENDMENT TO	:	Definition of Terms Rule 1.2 Types of Trading Participants
Reference No.	:	Proposal No. 008-2012
Rationale for the Proposal	:	To recognize the institutional broker as the type of broker who will buy and sell securities exclusively on behalf of qualified institutional investors

CURRENT RULE	PROPOSED AMENDMENT
<p>Definition of Terms</p> <p>As used in these Rules, the following terms shall have the definitions given herein:</p> <p>1. x x x</p> <p>9. 'Firm', in relation to a quote, shall mean a representation given by a party to a transaction that will be considered good by another party until the sooner of their cancellation or the close of the trading session. It shall also have the meaning given to the term in Rule 3.4 of these Rules.</p> <p>10. 'Government Securities' means treasury bills and bonds issued by the National Government.</p> <p>11. 'Guarantor' means the party that takes responsibility for the payment of a debt or performance of an obligation if the person primarily liable fails to perform.</p> <p>12. 'Issuer' shall refer to the person or entity that is obligated in a Security.</p> <p>13. x x x</p>	<p>Definition of Terms</p> <p>As used in these Rules, the following terms shall have the definitions given herein:</p> <p>1. x x x</p> <p>9. 'Firm', in relation to a quote, shall mean a representation given by a party to a transaction that will be considered good by another party until the sooner of their cancellation or the close of the trading session. It shall also have the meaning given to the term in Rule 3.4 of these Rules.</p> <p>10. <u>'General Broker' means a broker that buys and sells securities for any type of investor.</u></p> <p>11. 'Government Securities' means treasury bills and bonds issued by the National Government. (This term shall be renumbered as No. 11 and the terms coming after it shall likewise be renumbered accordingly.)</p> <p>12. 'Guarantor' means the party that takes responsibility for the payment of a debt or performance of an obligation if the person primarily liable fails to perform.</p> <p>13. <u>'Institutional Broker' means a broker that buys and sells securities specifically for institutions classified as qualified buyers under Section 10.1(l) (i) to (v) of the Securities Regulation Code or any of the institutional accounts defined under SRC Rule 52.1(6)(D) of the Amended Implementing Rules and Regulations of the Securities Regulation Code.</u></p> <p>14. 'Issuer' shall refer to the person or entity that is obligated in a Security.</p>
<p>Rule 1.2 Types of Trading Participants</p> <p>There shall be three (3) types of Trading Participants. These are:</p> <p>1. x x x</p> <p>3. Brokering Participants.</p>	<p>Rule 1.2 Types of Trading Participants</p> <p>There shall be three (3) types of Trading Participants. These are:</p> <p>1. x x x</p> <p>3. Brokering Participants-, <u>which will have two (2) types: General Brokers and Institutional Brokers.</u></p>