

**PROPOSED AMENDMENT TO THE PDEX RULES  
FOR THE FIXED INCOME SECURITIES MARKET, AS AMENDED:  
SPECIAL MARKET PARTICIPANT**

**PROPOSED AMENDMENT TO** : DEFINITION OF TERMS AND RULE 1

**REFERENCE NO.** : Proposal No. 008-2021

**RATIONALE** : To make reference to a new type of trading participant allowed to trade on the PDEX FI Trading System

CURRENT RULE	PROPOSED AMENDMENT	REVISED PROPOSAL APPROVED BY THE MGB (13 July 2021)
<p><b>Definition of Terms</b> xxx</p> <p><b>26. ‘Shelf Registered Securities’</b> are issued under a shelf registration program allowing them to be issued in tranches under a single registration statement for an offering to be made on a continuous or delayed basis for a period as defined in the applicable shelf registration rules of the SEC as may be amended from time to time. (new022521)</p> <p><b>27. ‘SRC’</b> shall refer to the Securities Regulation Code, or such other relevant law adopted and implemented to regulate the securities industry, as the same may be amended from time to time.</p> <p>xxx</p>	<p>(Note: The new provisions will be numbered as 27 in the Definition of Terms and as Rule 1.13. The numbering of the succeeding provisions shall be revised to reflect the correct sequential order.)</p> <p><b>Definition of Terms</b> xxx</p> <p><b>27. ‘Special Market Participant’</b> shall refer to the Bangko Sentral ng Pilipinas that will be provided access to the PDEX Trading System in order to buy fixed income securities from or sell fixed income securities to PDEX Trading Participants in accordance with Rule 1.13 hereof.</p> <p>xxx</p>	<p>(Note: The new provisions will be numbered as 27 in the Definition of Terms and as Rule 1.13. The numbering of the succeeding provisions shall be revised to reflect the correct sequential order.)</p> <p><b>Definition of Terms</b> xxx</p> <p><b>27. ‘Special Market Participant’</b> shall refer to the Bangko Sentral ng Pilipinas that will be provided access to the PDEX Trading System in order to buy fixed income securities from or sell fixed income securities to PDEX Trading Participants in accordance with Rule 1.13 hereof.</p> <p>xxx</p>

**Rule 1 Trading Participants**

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**Rule 1.12 Market-Making Participants**

1. Market-Making Participants (“Market-Makers”) are Dealing Participants that commit: (1) to maintain firm two way quotes for specified securities during the open trading sessions, provided, however, that until a securities borrowing/ lending facility is in place for those specified securities, the Market-Maker commits to maintain a firm bid for specified securities and (2) to honor those quotes for amounts up to their posted volumes.

*(end of Rule 1)*

**Rule 1 Trading Participants**

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**Rule 1.13 Special Market Participant**

1. Special Market Participant shall refer to the Bangko Sentral ng Pilipinas that will be given access to the PDEX Trading System to execute its purchases and sales of fixed income securities with other PDEX Trading Participants. It is understood that the Special Market Participant’s activities are consistent with its Open Market Operations and in accordance with its monetary policy objective of achieving price stability. The Special Market Participant shall solely be exempt from the coverage of the PDEX Rules governing the obligations of regular Trading Participants. Its counterparty Trading Participants shall not be covered by such exemption.

2. The Special Market Participant’s access to the PDEX Trading System shall nevertheless be subject to contractual obligations between itself and PDEX.

*(end of Rule 1)*

**Rule 1 Trading Participants**

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**Rule 1.13 Special Market Participant**

1. Special Market Participant shall refer to the Bangko Sentral ng Pilipinas that will be given access to the PDEX Trading System to execute its purchases and sales of fixed income securities with other PDEX Trading Participants. It is understood that the Special Market Participant’s activities are consistent with its ~~Open Market Operations and in accordance with its monetary policy objective of achieving price stability~~ objective of maintaining price stability conducive to a balanced and sustainable growth of the economy, and the promotion and maintenance of monetary and financial stability. The Special Market Participant shall solely be exempt from the coverage of the PDEX Rules governing the obligations of regular Trading Participants. Its counterparty Trading Participants shall not be covered by such exemption.

2. The Special Market Participant’s access to the PDEX Trading System shall nevertheless be subject to contractual obligations between itself and PDEX.

*(end of Rule 1)*