Annex "B"

PROPOSED AMENDMENTS TO THE PDEX RULES
FOR THE FIXED INCOME SECURITIES MARKET, AS AMENDED:
PENALTIES FOR VIOLATIONS OF ISSUERS' UNSTRUCTURED DISCLOSURE OBLIGATIONS

PROPOSED AMENDMENTS TO : Rules 7.9.4 and 18.6.2 (Consolidated Fines and Penalties) of PDEx Rules

Penalty Regime for Violations of Unstructured Disclosure Obligations under Rule 7.9.4

REFERENCE NUMBER : Proposal No. 01-2026

RATIONALE : To strengthen Issuer accountability and promote investor protection and market confidence

Rule No.	Current Rule	Proposed Amendment
Rule 7.9.4	N/A	Any violation of any of the preceding sections shall be penalized under Rule 18.6.2
Rule 18.6.2	N/A	"**Unstructured Disclosure** shall refer to any material information or events requiring immediate disclosure under PDEx Rule 7.9, which does not fall within the list of Structured Disclosures under Rule 7.20. Further, "immediate" shall mean making the appropriate disclosure within **ten (10) minutes** from the receipt of such information or the happening or occurrence of said event, **in accordance with the Securities Regulation Code, as may be amended from time to time**."

<table>
<tr><th>Rule No.</th><th>Current Rule</th><th>Proposed Amendment</th></tr>
<tr><td></td><td></td><td>
All instances of non-disclosure, delayed disclosure, or inaccurate disclosure committed within a calendar year, involving information that, while required to be disclosed under securities laws, are generally not expected to affect the Issuer’s financial condition, operations, or overall capacity to pay, pursuant to PDEx Rule 7.9, shall subject the Issuer to the following penalties:
<table>
<tr><th>Basic Penalty</th><th>Level 1</th></tr>
<tr><td>1st Violation</td><td>PHP 25,000</td></tr>
<tr><td>2nd Violation</td><td>PHP 50,000</td></tr>
<tr><td>3rd & subsequent violations</td><td>PHP 75,000</td></tr>
</table>
Any other violation of the unstructured disclosure requirements committed within a calendar year involving the non-disclosure, delayed disclosure, or inaccurate disclosure of information generally expected to affect the Issuer’s financial condition, operations, or overall capacity to pay, pursuant to PDEx Rule 7.9, shall subject the Issuer to the following penalties:
<table>
<tr><th>Basic Penalty</th><th>Level 2</th></tr>
<tr><td>1st Violation</td><td>PHP 100,000</td></tr>
<tr><td>2nd Violation</td><td>PHP 150,000</td></tr>
<tr><td>3rd & subsequent violations</td><td>PHP 200,000</td></tr>
</table>
Continuing Violations: In addition to the applicable penalties under this Rule, a fine of One Thousand Pesos (₱1,000.00) shall be imposed for each calendar day during which the violation continues, up to and including the date the violation is rectified.
"All alleged violations under this Rule shall be subject to the due process requirements under Rule 15 of the PDEx Rules. Following the conclusion of such proceedings, the Exchange shall determine whether a violation has been established and, if so, the applicable penalty under this Rule.”
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		Serious Offenses: Offenses involving fraud, market manipulation, concealment, and other violations specified under the SRC shall be referred to the Market Compliance and Enforcement Committee, and as required, the Securities and Exchange Commission for appropriate action.