

**PROPOSED AMENDMENTS TO THE PDEX RULES
FOR THE FIXED INCOME SECURITIES MARKET, AS AMENDED:
DEFINITIVE SUBMISSION DEADLINE FOR THE e-MSC FRAMEWORK**

PROPOSED AMENDMENTS TO : Rule 3.3.1 of PDEX Rules

REFERENCE NUMBER : Proposal No. 02-2026

RATIONALE : To strengthen the e-Monthly Sworn Certification (MSC) framework and establish a definitive submission deadline

Rule No.	Current Rule	Proposed Amendment
<i>Rule 3.3 Trading System and Infrastructure</i>	1. The PDEX Trading System is the technology infrastructure that provides the Trading Participants with automated deal capture and price discovery. The Trading Participants shall use the PDEX Trading System to transact and conclude their trades, except as otherwise provided in these Rules. Trades arranged or negotiated outside the PDEX Trading System shall be executed on the PDEX Trading System for settlement purposes within one (1) minute from conclusion of negotiation. Every trade not executed on the PDEX Trading System shall be considered as a Category III violation of the party determined to be responsible for the non-execution. A failure to execute a trade on the PDEX Trading System within the prescribed period shall be considered a Category II violation. A repeated failure to execute a trade on the PDEX Trading System within the prescribed period shall be considered as a Category III violation. For the purpose of this rule, repeated failure shall mean execution of a trade on the PDEX Trading System beyond the prescribed period a fourth time or oftener during the calendar year.	1. The PDEX Trading System is the technology infrastructure that provides the Trading Participants with automated deal capture and price discovery. The Trading Participants shall use the PDEX Trading System to transact and conclude their trades, except as otherwise provided in these Rules. Trades arranged or negotiated outside the PDEX Trading System shall be executed on the PDEX Trading System for settlement purposes within one (1) minute from conclusion of negotiation. Every trade not executed on the PDEX Trading System shall be considered as a Category III violation of the party determined to be responsible for the non-execution. A failure to execute a trade on the PDEX Trading System within the prescribed period shall be considered a Category II violation. A repeated failure to execute a trade on the PDEX Trading System within the prescribed period shall be considered as a Category III violation. For the purpose of this rule, repeated failure shall mean execution of a trade on the PDEX Trading System beyond the prescribed period a fourth time or oftener during the calendar year.

	To ensure compliance herewith, every Trading Participant shall submit within ~~the first five (5) days of every month~~ a sworn certification executed by its Associated Person, in such form and containing such information and documents as PDEX shall prescribe, attesting that: a. All trades have been executed on the PDEX Trading System; b. All trades arranged or negotiated outside the PDEX Trading System have been executed on the PDEX Trading System within one (1) minute from conclusion of negotiation; and c. All trades that have failed have been duly settled. In cases where the Associated Person cannot attest to perfect compliance as described above, he shall instead attest to the number of non-compliant trades and state the cause of each failure to comply. All non-compliant trades shall be subject to the appropriate sanctions and penalties as provided in these Rules. Delay in submission of the required certification beyond ~~ten (10) days after the deadline~~, shall be charged a penalty in the amount of FIVE THOUSAND PESOS (P5,000.00), provided, however, that failure to submit within 30 days from the required deadline shall be considered a Category III violation and penalized accordingly.	To ensure compliance herewith, every Trading Participant shall submit, within five (5) business days after the end of each month, a sworn certification executed by its Associated Person, in such form and containing such information and documents as PDEX shall prescribe, attesting that: a. All trades have been executed on the PDEX Trading System in accordance with the PDEX Rules and applicable securities laws; b. All trades arranged or negotiated outside the PDEX Trading System have been executed on the PDEX Trading System within one (1) minute from conclusion of negotiation; and c. All trades that have failed to settle have been subsequently ~~and duly~~ settled in accordance with the rules. In cases where the Associated Person cannot attest to perfect compliance as described above, he shall instead attest to the number of non-compliant trades and state the cause of each failure to comply. All non-compliant trades shall be subject to the appropriate sanctions and penalties as provided in these Rules. Delay in the submission of the required certification beyond five (5) business days from the end of the month shall be charged a penalty in the amount of FIVE THOUSAND PESOS (P5,000.00); ~~provided, however, that~~ Failure to submit within thirty (30) calendar days from the required deadline shall be considered a Category III violation and penalized accordingly.
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