

**PROPOSED AMENDMENTS TO THE PDEX RULES
FOR THE FIXED INCOME SECURITIES MARKET, AS AMENDED:
PENALTIES FOR VIOLATION OF BEST EXECUTION RULE**

PROPOSED AMENDMENTS TO	:	Rule 18.2.1 of Consolidated Fines and Penalties
REFERENCE NO.	:	Proposal No. 002-2024
RATIONALE	:	To promote market discipline and strengthen investor protection in the PDEX market

Current Rule	Proposed Amendment Revised by the MGB on 11 February 2025
Rule 18.2.1 of Consolidated Fines and Penalties of PDEX Rules	<p>(Note: This new provision will be included in the Consolidated Fines and Penalties and will be numbered as 2.1. and the numbering of the succeeding provisions shall be revised to reflect the correct sequential order.)</p> <p><i>2.1. Penalties Associated with Violation of Best Execution Rule under Rule 6.1.3.</i> Brokering Participants which are in violation of Rule 6.1.3 shall carry the following penalties, which may be imposed singly or in combination:</p> <ul style="list-style-type: none"> a. Reprimand and Penalty of FIFTY THOUSAND PESOS (P50,000.00) or 20 BPS of the amount of the transaction, whichever is higher; b. Denial of the right of the Trading Participant and/or its authorized personnel to (i) trade on the PDEX Trading System; and/or (ii) access the systems and facilities of PDEX; c. Blacklist and bar from PDEX or from being otherwise associated with or employed by any Trading Participant or PDEX; d. In all cases, PDEX shall be entitled to charge any lost transaction fees

	where the same were caused by the violation *Committed within Calendar Year
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