



MEMORANDUM

THE PHILIPPINE STOCK EXCHANGE, INC.

- | | |
|-------------------------------------|--|
| <input type="checkbox"/> Trading | <input type="checkbox"/> Public Advisory |
| <input type="checkbox"/> Disclosure | <input type="checkbox"/> Administrative/Technology Matters |
| <input type="checkbox"/> Listing | <input checked="" type="checkbox"/> Others: |

TO : THE INVESTING PUBLIC AND MARKET PARTICIPANTS

SUBJECT : Amendments to the Revised Trading Rules, Guidelines on Correspondent TP Arrangement, and Guidelines on Natural Disasters or Extraordinary Circumstances

DATE : August 20, 2025

Please be advised that the Securities and Exchange Commission has approved the following amendments:

1. Amendments to Section 2(a), Article VIII of the PSE Revised Trading Rules (*Market Halt or Suspension of Trading Activity*)

The trigger for market-wide halt is changed from inability of at least 1/3 of the TPs to access the trading system to inability of TPs accounting for more than fifty percent (50%) of the average daily trading value (exclusive of block sales) for the six (6) calendar months preceding the date of determination to access the trading system, directly or through their correspondent TP, due solely to (i) trading system problems attributable to Exchange system issues, or (ii) natural disasters or unforeseen and unavoidable events beyond the control of PSE or TPs.

All trading participants (TP) are required to have a Correspondent TP as a business continuity requirement.

2. The new Guidelines on Natural Disasters or Extraordinary Circumstances

The new guidelines give the Exchange the discretion to halt, suspend or cancel a scheduled Trading Day in the event of natural disasters or extraordinary circumstances and the Exchange is unable to implement its Business Continuity Plan.

CMDD	FD	IRD	MOD	TD	HRD / RISK / SU	CCD / FMD / AD	OGC	COO
Tel. No.: (632) 8876-4888					E-mail Address: investing@pse.com.ph			

3. Amendments to Part XXI of the Implementing Guidelines of the Revised Trading Rules (*Designation of a Correspondent TP*)

Part XXI, as amended, sets out the guidelines for selection and engagement of a Correspondent TP.

The amendments to Section 2(a), Article VIII of the PSE Revised Trading Rules (*Market Halt or Suspension of Trading Activity*), except the requirement for all TPs to have a Correspondent TP, and the new Guidelines on Natural Disasters or Extraordinary Circumstances shall take effect immediately.

As to the requirement for all TPs to have a Correspondent Trading Participant, all TPs shall be given two (2) months, counted from the date of posting of this memo, to engage their own Correspondent TP in accordance with Part XXI of the Implementing Guidelines of the Revised Trading Rules (*Designation of a Correspondent TP*).

The full text of (i) Section 2(a), Article VIII of the PSE Revised Trading Rules (*Market Halt or Suspension of Trading Activity*), (ii) the new Guidelines on Natural Disasters or Extraordinary Circumstances, and (iii) Part XXI of the Implementing Guidelines of the Revised Trading Rules, is attached **Annexes "A", "B" and "C"**, respectively.

For your information and guidance.

(Original signed)
Ramon S. Monzon
President and CEO

CMDD	FD	IRD	MOD	TD	HRD / RISK / SU	CCD / FMD / AD	OGC	COO
Tel. No.: (632) 8876-4888					E-mail Address: investing@pse.com.ph			

ANNEX A

ARTICLE VIII MARKET HALT OR SUSPENSION OF TRADING ACTIVITY

...

SECTION 2. Market Halt

- a. As a business continuity requirement, all Trading Participants shall be required to have a Correspondent Trading Participant. The Exchange may halt the trading in the market if Trading Participants accounting for more than fifty percent (50%) of the average daily trading value (exclusive of block sales) as of the end of the six calendar month period preceding the date of determination cannot trade, directly or through their Correspondent Trading Participant, due solely to trading system problems attributable to Exchange system issues such as, but not limited to, server failure, network/link problems, application errors, natural disasters or extraordinary circumstances.

THE PHILIPPINE STOCK EXCHANGE, INC.:

(Original Signed)

RAMON S. MONZON
President and CEO

(Original Signed)

ROEL A. REFRAN
Executive Vice President and Chief Operating Officer

SECURITIES AND EXCHANGE COMMISSION:

(Original Signed)

OLIVER O. LEONARDO
Director
Markets and Securities Regulation Department

ANNEX B

GUIDELINES ON NATURAL DISASTERS OR EXTRAORDINARY CIRCUMSTANCES

1. To maintain an orderly, fair and informed market, the Exchange shall have the discretion to halt, suspend or cancel a scheduled Trading Day when any of the following circumstances or analogous events occurs or there is reasonable cause to believe that it is likely to occur, and the Exchange is unable to implement its Business Continuity Plan:
 - a. An emergency situation, including, but not limited to fire, earthquake, eruption, flood, heavy rainfall, civil commotion, terrorist attack and other analogous circumstances that necessitates evacuation from, or prevents the PSE employees from re-entering, the Exchange premises;
 - b. An emergency situation, including but not limited to item 1(a) above, that may disrupt the trading activities of the TPs who collectively account for more than 50% of the average daily trading value (exclusive of block sales), as of the end of the six (6) calendar month period preceding the date of determination; or
 - c. Any other emergency or analogous situation including fortuitous events that may adversely impact the operation of a fair, orderly and efficient market or pose a risk to PSE employees upon recommendation of the Market Operations Division with the approval of the President of the Exchange.

The Exchange shall immediately notify the Securities and Exchange Commission of its decision to halt, suspend or cancel a scheduled Trading Day.

2. In the event that the Philippine Atmospheric, Geophysical, and Astronomical Services Administration (PAGASA) issues an official tropical cyclone wind signal (TCWS) announcement in the National Capital Region (NCR), the Exchange shall decide on the cancellation of a scheduled Trading Day based on the following parameters:

TCWS	TRADING STATUS
1	Regular Trading
2	Regular Trading
3	No Trading
4	No Trading
5	No Trading

- a. Should PAGASA officially announce the downgrading of the TCWS in NCR to Signal No. 1 or 2 by 6:00 A.M. of the following Trading Day, there shall be no cancellation of the said scheduled Trading Day.

- b. Should PAGASA officially announce that the TCWS in NCR remains to be at Signal No. 3 or higher by 6:00 A.M. of the following Trading Day, said Trading Day shall be cancelled.

THE PHILIPPINE STOCK EXCHANGE, INC.:

(Original Signed)

RAMON S. MONZON
President and CEO

(Original Signed)

ROEL A. REFRAN
Executive Vice President and Chief Operating Officer

SECURITIES AND EXCHANGE COMMISSION:

(Original Signed)

OLIVER O. LEONARDO
Director
Markets and Securities Regulation Department

ANNEX C

IMPLEMENTING GUIDELINES OF THE REVISED TRADING RULES

PART XXI TECHNICAL CONTINGENCIES

...

2. All TPs shall be required to designate a Correspondent TP. The designation of a Correspondent TP shall be in accordance with the following guidelines:
 - a. Selection of a Correspondent TP:
 - i. The Correspondent TP should be using a Front-end Order Management System (FEOMS) from a different provider/vendor; or
 - ii. If using the same FEOMS, the Correspondent TP should be clustered in a silo and fix gateway that is different from the connection of the appointing TP.
 - b. Prior to designating a Correspondent TP and at least three (3) Trading Days before the effectivity of such designation, a TP (the "Requesting TP") shall obtain the Exchange's confirmation that the selection of the Correspondent TP conforms to the guidelines in paragraph 2(a) above.
 - c. A requesting TP shall sign a contract with its selected Correspondent TP ("Correspondent TP Contract") which shall contain, at the minimum, the following provisions:
 - i. All transactions executed by the Correspondent TP pursuant to the Correspondent TP Contract shall strictly comply with the PSE Trading Rules and its Implementing Guidelines, the Securities Regulation Code and its Implementing Rules and Regulations, and other applicable rules of the Exchange and the Securities and Exchange Commission;
 - ii. The Requesting TP may instruct the Correspondent TP to execute transactions for the Requesting TP's client accounts;
 - iii. The Requesting TP may instruct the Correspondent TP to execute transactions for the Requesting TP's proprietary accounts; and
 - iv. The Correspondent TP shall execute transactions on behalf of the Requesting TP using a done-through account code.

The sample format of the Correspondent TP Contract is attached as Annex A of the Implementing Guidelines of the Revised Trading Rules.

- d. TPs shall inform their clients that, in the event the TP is unable to trade and as a business continuity requirement, clients' transactions may be coursed through a Correspondent TP.
- e. The aggregation of done-through transactions shall not be allowed.
- f. Except as provided in paragraphs 2(c)(iii) and 2(e) above, the Rules and Implementing Guidelines on Done-through Transactions shall apply to done-through transactions executed pursuant to a Correspondent TP Contract.
- g. The Exchange shall maintain a registry of all TPs and their respective Correspondent TPs.
- h. The provisions of this Part XXI, No. 2 shall apply in the event that the Requesting TP designates additional (or replacement) Correspondent TP/s.

...

THE PHILIPPINE STOCK EXCHANGE, INC.:

(Original Signed)

RAMON S. MONZON

President and CEO

(Original Signed)

ROEL A. REFRAN

Executive Vice President and Chief Operating Officer

SECURITIES AND EXCHANGE COMMISSION:

(Original Signed)

OLIVER O. LEONARDO

Director

Markets and Securities Regulation Department

Annex A
Correspondence Agreement Template

CORRESPONDENCE AGREEMENT

This **Correspondence Agreement** is entered into this ____ day of _____, ____ in _____ by and between:

_____ a corporation organized and existing under the laws of the Philippines with principal office at _____ represented in this Act by its _____, _____, hereinafter referred to as _____.

-and-

_____ a corporation organized and existing under the laws of the Philippines with principal office at _____ represented in this Act by its _____, _____, hereinafter referred to as _____.

WITNESSETH THAT:

WHEREAS, _____ and _____ are Trading Participants (TP) of The Philippine Stock Exchange, Inc. ("Exchange" or "PSE");

WHEREAS, the First Party desires to engage the Second Party as Correspondent TP in case the First Party is unable to conduct its trading activities.

NOW THEREFORE, for and in consideration of the foregoing premises, the parties agree as they hereby covenant and stipulate as follows:

1. _____, hereby appoints _____ as its Correspondent TP in the Exchange.
2. All transactions executed by the Second Party under this Correspondence Agreement shall be governed by the rules and implementing guidelines of the Exchange and shall further be in accordance with the Securities Regulation Code and the rules of the Securities and Exchange Commission ("SEC").

3. Upon instruction of First Party, the Second Party shall execute transactions on behalf of the First Party's client/proprietary accounts using a done-through account code.
4. All done-through transactions executed pursuant to this Correspondence Agreement shall not be executed as an aggregated/bundled order.
5. Transfer fees and other expenses related to the execution of done-through transactions by the Second Party shall be borne by the First Party.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands on the date and place hereinabove stated:

By:

By:

SIGNED IN THE PRESENCE OF:
