

[SEC, June 10, 2004]

RULES GOVERNING THE TRADING OF PSE SHARES

1. (a) A broker dealer shall be prohibited from buying PSE shares for its own account or for the principal account of another broker dealer (i.e., done through transaction) until such time that the brokers and dealers, as a business industry, are in compliance with the 20% Rule on industry ownership. Even after the broker dealer industry is already in compliance with the 20% Rule, the moratorium should automatically set in whenever the benchmark is breached.

(b) The prohibition stated in the first paragraph of this section shall likewise apply in the purchase of PSE shares for the accounts of related persons of a broker dealer, which shall include its subsidiaries and affiliates, and its directors, officers, principal stockholders, and nominees to the PSE, and the spouses and relatives up to the 4th civil degree by affinity or consanguinity thereof.

2. (a) The prohibition under 1 (b) need not apply where the acquisition is with prior authority of the SEC upon proof that the purchaser is not under the control of the broker dealer in terms of voting rights and beneficial ownership;

(b) While there is no prohibition for employees of broker dealers to acquire shares in the PSE where it is proven that the money used by such employees came from the broker dealers themselves, or that they retain control of voting rights and beneficial ownership of such shares, the SEC will consider such purchase as a circumvention.

3. (a) To allow more effective monitoring of the percentage (%) limit, a broker dealer shall be required to fill in the field "Client Code" of the PSE MAKTRADE system with the customer's Tax Identification Number, if applicable, each time it places an order to buy or sell PSE shares.

(b) For a customer who does not have a TIN (e.g., a foreigner), the broker dealer shall be required to assign such person a unique code.

(c) In assigning a code, a broker dealer shall comply with the following convention:

- The first five characters shall be allotted to reflect the first five letters of the person's surname as they appeared in his passport. If the person's surname bears less than five letters, then, the remaining characters shall be filled in with a hyphen.

- The last five characters shall be allotted to reflect the first five characters (alpha numerics) of his passport number.