



For : All Clearing Members – Attn: The Associated Person
Date : 02 February 2012
Subject : SEC Approval for the Proposed Revisions to the Rules and Operating Procedures on the Mark-to-Market Collateral Deposit System

We are pleased to advise all Clearing Members that we received yesterday a letter from the Securities and Exchange Commission ("Commission") advising us that the Commission resolved to approve SCCP's proposed amendments to SCCP Rule 8.1.9 and SCCP Operating Procedures 6.4 and 6.5, governing SCCP's Mark to Market Collateral Deposit System, during its meeting held on 26 January 2012. Prior to submitting same to the Commission for their approval, we posted in the PSE website for public comment our proposed revisions through Memo for Brokers No. 04-0911 dated 27 September 2011 and Memo for Brokers No. 05-1211 dated 22 December 2011.

Below is a summary/explanation of the revisions that were approved by the Commission:

Revision No. 1:

The deadline for posting in CCCS of the Notification to Clearing Members of our collateral requirement has been changed *from originally* 2:00 PM in Section 8.1.9 of the SCCP Rules and Section 6.4 of the SCCP Operating Procedures *to* 6:00 PM of the same trading day for which the negative exposure is computed, after the uploading of the PSE trades, closing prices and other data needed for the completion of the computation process in the CCCS system.

Revision No. 2:

We have deleted the requirement in Section 6.4 and Section 6.5 of the SCCP Operating Procedures that Clearing Members should fax back to SCCP the notice with the details of your collateral if the mode of collateralization is via Cash or Securities. We are, however, retaining this requirement if the mode of collateralization is via Early Delivery of Securities.

Revision No. 3:

We have changed the deadline for notification by the Clearing Member of its intention to do an Early Delivery of Securities *from* between 2:00 PM and 7:00 PM on the same day of notification by SCCP *to* no later than 10:00 AM of the day following the computation date to give Clearing Members enough time to notify SCCP in view of the extension of trading hours.

Revision No. 4:

In Section 6.4 of the Operating Procedures, we added a requirement that Clearing Members shall be responsible for viewing their messages in CCCS to ascertain whether they are required to put up collateral or are entitled to a refund.

We have posted the revised SCCP Rules and Operating Procedures in the PSE website. In particular, kindly refer to SCCP Rule 8.1.9 and SCCP Operating Procedures 6.4 and 6.5 governing SCCP's Mark to Market Collateral Deposit system for the specific revisions.

For your information and guidance.



Renee D. Rubio
Chief Operating Officer