

**SGX-SICOM CLEARING ARRANGEMENT
AMENDMENTS TO SGX-SGX-DC RULES**

Chapter 2 – Membership

Current Rule	New Rule
<p>New Rule</p>	<p><u>2.20B WITHHOLDING OF PROFITS FROM OVERTRADING</u></p> <p><u>2.20B.1 The Clearing Member shall upon being notified by the Clearing House, withhold any profits due or owing to its Collective Customer or its Collective House Account from any transaction traded on any Relevant Market and cleared through the Clearing House, that resulted in the Collective Customer trading beyond the limits set by the Clearing Member, Relevant Market, the Clearing House or MAS (such conduct referred to hereafter as “overtrading”), or such monies due or owing to its Collective Customer or its Collective House Account as directed by the Clearing House, and shall not release any such profits or monies until such time as determined by the Clearing House.</u></p> <p><u>2.20B.2 Without prejudice to the foregoing, the Clearing House may withhold any profits due or owing to any Clearing Member from the transaction that resulted in overtrading, or such monies due or owing to such Clearing Member, until such time as determined by the Clearing House.</u></p>
<p>2.31 OPEN POSITIONS OF DEFAULTED/SUSPENDED CLEARING MEMBERS</p> <p>2.31.1 When a Clearing Member having open positions has defaulted upon its obligation to the Clearing House, or has been suspended for insolvency, the Clearing House may:-</p>	<p>No change.</p>

Current Rule	New Rule
<p>2.31.1.1 appoint one (1) or more Clearing Members to whom all or any part of such positions shall be transferred to be handled for the defaulted or suspended Clearing Member. When positions are so transferred, margins deposited thereon and any settlement due or collected must be delivered to the Clearing House, to be entrusted to the Clearing Member or Clearing Members designated to handle the transactions;</p>	<p>No change.</p>
<p>2.31.1.2 execute hedging transactions, on behalf of and at the risk of the defaulted Clearing Member, to eliminate or reduce market risk resulting from such open positions;</p>	<p>No change.</p>
<p>2.31.1.3 without prejudice to Rule 2.31.1.1, appoint one or more Inter Dealer Brokers, Clearing Members or members of the applicable Relevant Market to close out such positions on the behalf of and at the risk of the defaulted Clearing Member; and/or</p>	<p>No change.</p>
<p>2.31.1.4 where the open positions relate to an Eligible OTC transaction or a Contract subject to physical delivery prior to the matching process in Rule 6.02A.7, and it is in the Clearing House's good faith opinion impossible or impracticable for the open positions to be transferred or closed out pursuant to Rules 2.31.1.1 and 2.31.1.3 respectively, the Clearing House may, in addition to any other power or right it may have, invoice back such positions to the defaulting Clearing Member while simultaneously also invoicing back the equivalent number of positions or as nearly equivalent number of such positions as the Clearing House may deem practical to other non-defaulting Clearing Members holding opposite positions (whether reported to the Clearing House as being House, House-related or Customer positions) as at the date of such invoicing back, on a pro-rata basis, calculated as the proportion of each non-defaulting Clearing Member's opposite positions at the date of such transfer relative to the aggregate value of the defaulting Clearing Member's</p>	<p>2.31.1.4 where the open positions relate to an Eligible OTC transaction or a Contract subject to physical delivery prior to the matching process in Rule 6.02A.7, and it is in the Clearing House's good faith opinion impossible or impracticable for the open positions to be transferred or closed out pursuant to Rules 2.31.1.1 and 2.31.1.3 respectively, the Clearing House may, in addition to any other power or right it may have, invoice back such positions to the defaulting Clearing Member while simultaneously also invoicing back the equivalent number of positions or as nearly equivalent number of such positions as the Clearing House may deem practical to other non-defaulting Clearing Members, <u>and/or any other non-defaulting Relevant Market (or its clearing house)</u> holding <u>appropriate</u> opposite positions (whether reported to the Clearing House as being House, House-related or Customer positions) as at the date of such invoicing back, on a pro-rata basis, calculated as the proportion of <u>such gross opposite positions of</u> each non-defaulting Clearing</p>

Current Rule	New Rule
<p>open positions (to be rounded down or up if the number of lots is not a whole number at the Clearing House's absolute discretion). Invoicing back shall be carried out by the Clearing House effecting and registering opposite positions between itself and each of the affected Clearing Members and thereupon settling such open positions against such opposite positions, at a price determined by the Clearing House. The Clearing House's actions, including the timing of the transfer and the price determined by the Clearing House shall be binding on all affected Clearing Members.</p> <p>2.31.2 All costs and expenses sustained by the Clearing House in connection with any steps which are or may be taken by the Clearing House pursuant to Rule 2.31.1, including losses incurred from authorized hedging transactions and the unwinding of such hedging transactions, shall be charged to the account of the defaulted Clearing Member.</p>	<p><u>Member</u> Member's <u>and/or Relevant Market (or its clearing house)</u> opposite positions at the date of such transfer relative to the aggregate value of the such open positions held by all non- defaulting Clearing Member's <u>open positions</u> (to be rounded down or up if the number of lots is not a whole number at the Clearing House's absolute discretion). Invoicing back shall be carried out by the Clearing House effecting and registering opposite positions between itself and each of the affected Clearing Members <u>and/or other Relevant Market (or its clearing house)</u> and thereupon settling such open positions against such opposite positions, at a price determined by the Clearing House. The Clearing House's actions, including the timing of the transfer and the price determined by the Clearing House shall be binding on all affected Clearing Members.</p> <p>No change.</p>
<p>2.39 INFORMATION AND REPORTS</p> <p>2.39.1 The Clearing House may from time to time make available to a Participating Market all information and documents relating to the transactions in respect of any Designated Futures Contracts or relating to any Clearing Member in respect of such Designated Futures Contracts. Without prejudice to the generality of the foregoing the Clearing House may from time to time provide a Participating Market with reports on the large positions (as determined by the Clearing House from time to time) in any Designated Futures Contracts on the books of any of its Clearing</p>	<p>2.39.1 The Clearing House may from time to time make available to a <u>Participating Relevant Market (or its clearing house)</u> all information and documents:</p> <p>(a) relating to the transactions in respect of any <u>Designated Futures Contracts Contract traded on such Relevant Market</u>; or</p> <p>(b) relating to any Clearing Member in respect of such <u>Designated Futures Contracts Contract traded on such</u></p>

Current Rule	New Rule
<p data-bbox="302 354 411 375">Members.</p> <p data-bbox="302 691 1020 776">The Clearing House may from time to time provide any information in relation to any Clearing Member or its account(s) to the Exchange.</p>	<p data-bbox="1297 354 1482 375"><u>Relevant Market.</u></p> <p data-bbox="1171 397 1892 662">Without prejudice to the generality of the foregoing the Clearing House may from time to time provide a <u>Participating Relevant Market (or its clearing house)</u> with reports on the large positions as determined by the Clearing House from time to time) in any <u>Designated Futures</u> Contracts <u>traded on the Relevant Market</u> on the books of any of its Clearing Members. <u>For the avoidance of doubt, this Rule shall apply to the provision of information or documents to a Participating Market, in relation to transactions in respect of Designated Futures Contracts.</u></p> <p data-bbox="1045 691 1167 712">No change.</p>

Chapter 5 – Arbitration

Current Rule	New Rule
<p>5.01 DISPUTES ARBITRATED</p>	
<p>5.01.1 <u>Dispute Resolution Involving Contracts (excluding deliverable commodity futures contracts)</u></p>	<p>No change.</p>
<p>5.01.1.1 Where any dispute arises from or in connection with a Contract (excluding deliverable commodity futures contracts), other than a complaint of a disciplinary nature, the disputing Clearing Members shall attempt to settle the dispute through good faith negotiations, failing which the disputing Clearing Members may choose to settle the dispute, by such other means they elect, including arbitration before the SIAC in accordance with the rules of the SIAC.</p>	
<p>5.01.2 <u>Dispute Resolution Involving Deliverable Commodity Futures Contracts</u></p>	<p>5.01.3 <u>Dispute Resolution Involving Deliverable Commodity Futures Contracts</u></p>
<p>5.01.2.1 Where any dispute arises from or in connection with a commodity futures contract, other than a complaint of a disciplinary nature, the parties shall attempt to settle the dispute, through the claim procedure set forth in the relevant Contract Specifications. In the absence of an applicable claim procedure, the parties shall attempt to settle the dispute through good faith negotiations, failing which, at the election of any disputing Clearing Member, the dispute shall be settled by arbitration before the SIAC in accordance with the rules of the SIAC.</p>	<p>5.01.2.1 Where any dispute arises from or in connection with a commodity futures contract, other than a complaint of a disciplinary nature, the parties shall attempt to settle the dispute, through the claim procedure set forth or referred to in the relevant Contract Specifications. In the absence of an applicable claim procedure, the parties shall attempt to settle the dispute through good faith negotiations, failing which, at the election of any disputing Clearing Member, the dispute shall be settled by arbitration before the SIAC in accordance with the rules of the SIAC.</p>
<p>5.01.2.2 The award of the arbitrator or panel of arbitrators shall be binding on Sellers and Buyers.</p>	<p>5.01.2.2 Unless otherwise specified under the claim procedure set forth or referred to in the relevant Contract Specifications, if any, The the award of the arbitrator or panel of arbitrators shall be binding on Sellers and Buyers.</p>

Current Rule	New Rule
<p>5.01.2.3 The failure or refusal of a Clearing Member to arbitrate where the other Clearing Member elects to arbitrate under this Rule shall constitute a breach of this Rules.</p>	<p>5.01.2.3 The failure or refusal of a Clearing Member to settle the dispute under the claim procedure set forth or referred to in the relevant Contract Specifications, or arbitrate under this Rule where the other counterparty Clearing Member elects to do so arbitrate under this Rule shall constitute a breach of this Rules.</p>
<p>5.01.2.4 Clearing Members shall cause their Sellers and Buyers and their respective assigns to agree that where there is a dispute as a result of or arising in connection with a deliverable commodity futures contract:</p>	<p>5.01.2.4 Subject to the claim procedure set forth or referred to in the relevant Contract Specifications, Clearing Members shall cause their Sellers and Buyers and their respective assigns to agree that where there is a dispute as a result of or arising in connection with a deliverable commodity futures contract:</p>
<p>a. the Sellers and Buyers shall agree to submit to arbitration before the SIAC at the election of their respective Clearing Members; and</p>	<p>No change.</p>
<p>b. the award of the arbitrator or panel of arbitrators shall be final and binding on the Sellers and Buyers.</p>	<p>No change.</p>

Chapter 6 – Delivery and Related Matters

Current Rules	New Rules
<p>6.01 GENERAL</p> <p>6.01.1 Any delivery of Commodities under any Contract cleared by the Clearing House shall be made in accordance with the Trading Rules and the relevant Contract Specifications and, if not so dealt with, with the provisions of this Chapter and by such other requirements as the Clearing House may prescribe from time to time (collectively "Delivery Rules").</p> <p>New Rule</p> <p>New Rule</p> <p>6.01.1A Eligible OTC Contracts shall be settled or delivered in accordance with the relevant Delivery Rules.</p> <p>6.01.2 Cash-settled Contracts which remain open at maturity may be satisfied by payment of cash.</p> <p>Any Contracts other than cash-settled Contracts which remain open at maturity may be liable to delivery in accordance with the Delivery Rules.</p>	<p>6.01 GENERAL</p> <p>6.01.1 Any delivery of Commodities under any Contract cleared by the Clearing House shall be made in accordance with the Trading Rules and the relevant Contract Specifications and, if not so dealt with, with the provisions of this Chapter and by such other requirements as the Clearing House may prescribe from time to time (collectively "Delivery Rules").</p> <p>6.01.1A In the case of a Contract traded on the Exchange, the Delivery Rules shall include the Trading Rules.</p> <p>6.01.1B For the avoidance of doubt, this Chapter shall apply in respect of all matters relating to the rights, obligations and liabilities of the Clearing House as against any Clearing Member, regardless of the Relevant Market on which the Contract is traded, unless otherwise provided under this Chapter.</p> <p>6.01.1AC Eligible OTC Contracts shall be settled or delivered in accordance with the relevant Delivery Rules.</p> <p>No change.</p>
<p>6.02A CLEARING HOUSE MERELY FACILITATES DELIVERY</p>	<p>6.02A CLEARING HOUSE MERELY FACILITATES DELIVERY</p>

Current Rules	New Rules
<p data-bbox="302 358 1024 415"><u>Clearing Member Causes Compliance with and Guarantees Delivery Obligations</u></p> <p data-bbox="176 440 1024 708">6.02A.1 A Clearing Member sponsoring a Trading Member carrying an account for a Seller or Buyer or a Clearing Member carrying an account for a Seller or Buyer shall cause its Seller or Buyer (as the case may be) to comply with all relevant Delivery Obligations for the underlying Commodity under a Contract or delivery contract including those relating to the delivery of information, documents or the underlying Commodity to the Clearing House or to Clearing Members and shall comply with all time limits in accordance with the Delivery Rules.</p> <p data-bbox="176 967 1024 1146">6.02A.2 A Clearing Member sponsoring a Trading Member carrying an account for a Seller or Buyer or a Clearing Member carrying an account for a Seller or Buyer shall guarantee and assume complete responsibility to the Clearing Member of the opposite counterparty, for the performance of all Delivery Obligations in accordance with the Delivery Rules.</p> <p data-bbox="176 1203 1024 1260">6.02A.3 Violation of Rule 6.02A.1 or Rule 6.02A.2 may constitute a major offence.</p>	<p data-bbox="1171 358 1894 415"><u>Clearing Member Causes Compliance with and Guarantees Delivery Obligations</u></p> <p data-bbox="1056 440 1894 773">6.02A.1 A Clearing Member sponsoring a Trading Member, or a member of any other Relevant Market, carrying an account for a Seller or Buyer or a Clearing Member carrying an account for a Seller or Buyer shall cause its Seller or Buyer (as the case may be) to comply with all relevant Delivery Obligations for the underlying Commodity under a Contract or delivery contract including those relating to the delivery of information, documents or the underlying Commodity to the Clearing House or to Cclearing Mmembers of the opposite Buyer or Seller (hereafter referred to as the “counterparty clearing member” for the purposes of this Chapter), and shall comply with all time limits in accordance with the Delivery Rules.</p> <p data-bbox="1171 797 1894 943">For the avoidance of doubt, a counterparty clearing member referred to in this Chapter and Rule 7.04.1B shall include a Clearing Member and the clearing member of any other Relevant Market (or its clearing house) of the opposite Buyer or Seller notwithstanding that such counterparty clearing member is not a Clearing Member.</p> <p data-bbox="1056 967 1894 1179">6.02A.2 A Clearing Member sponsoring a Trading Member, or a member of any other Relevant Market, carrying an account for a Seller or Buyer or a Clearing Member carrying an account for a Seller or Buyer shall guarantee and assume complete responsibility to the Clearing Member of the opposite counterparty clearing member, for the performance of all Delivery Obligations in accordance with the relevant Delivery Rules.</p> <p data-bbox="1056 1203 1894 1260">6.02A.3 Violation of Rule 6.02A.1 or Rule 6.02A.2 may constitute a major offence.</p>
<p data-bbox="176 1284 615 1308">6.02A.4 <u>Insolvent Clearing Member</u></p>	<p data-bbox="1056 1284 1486 1308">6.02A.4 <u>Insolvent Clearing Member</u></p>

Current Rules	New Rules
<p>In the event of the Clearing House becoming aware of a Clearing Member becoming insolvent or being deemed insolvent after having given any relevant delivery notices or acceptance notices with respect to its Delivery Obligations to the Clearing House, then, notwithstanding the preceding, the Clearing House shall be entitled but not obliged to permit the relevant Sellers or Buyers (as the case may be) of the Clearing Member (if their identities can be readily ascertained and verified) to be directly substituted for such Clearing Member to the extent necessary to effect and/or complete delivery. None of the requirements for delivery, including notices, instructions, payment, etc., shall be waived by the Clearing House in exercising such option. Moreover, substitution shall in no way relieve the insolvent Clearing Member of its obligations to the Clearing House and/or the Clearing Member of the opposite counterparty with regard to any claims arising out of that delivery.</p> <p>6.02A.5 For the purposes of Rule 6.02A, a Clearing Member becomes or shall be deemed insolvent on the occurrence of any of the events stated in Rule 2.30.1.</p>	<p>In the event of the Clearing House becoming aware of a Clearing Member becoming insolvent or being deemed insolvent after having given any relevant delivery notices or acceptance notices with respect to its Delivery Obligations to the Clearing House, then, notwithstanding the preceding, the Clearing House shall be entitled but not obliged to permit the relevant Sellers or Buyers (as the case may be) of the Clearing Member (if their identities can be readily ascertained and verified) to be directly substituted for such Clearing Member to the extent necessary to effect and/or complete delivery. None of the requirements for delivery, including notices, instructions, payment, etc., shall be waived by the Clearing House in exercising such option. Moreover, substitution shall in no way relieve the insolvent Clearing Member of its obligations to the Clearing House and/or the Clearing Member of the opposite counterparty clearing member with regard to any claims arising out of that delivery.</p> <p>6.02A.5 For the purposes of Rule 6.02A, a Clearing Member becomes or shall be deemed insolvent on the occurrence of any of the events stated in Rule 2.30.1.</p>
<p>6.02A.7 <u>Matching and Re-novation</u></p> <p>The contract between a Selling Member or Buying Member and the Clearing House shall be novated and a new contract shall be novated and a new contract shall arise between the Seller and Buyer to whom it is matched, through their respective Clearing Members (such process being described as “re-novation”) upon the later of the following events:</p> <p>a. the Clearing House effecting matching by reference to the Seller and the Buyer through their respective</p>	<p>6.02A.7 <u>Matching and Re-novation</u></p> <p>The contract between a Selling Member or Buying Member and the Clearing House shall be novated and a new contract shall be novated and a new contract shall arise between such persons as are matched in accordance with the relevant Contract Specifications the Seller and Buyer to whom it is matched, through their respective Clearing Members (such process being described as “re-novation”) upon the later of the following events:</p> <p>a. the Clearing House effecting matching of any of the following for the performance of delivery obligations:</p>

Current Rules	New Rules
<p>Clearing Members, or matching of the Seller or Buyer for whom an insolvent Clearing Member acts and the opposite counterparty through its Clearing Member, for the performance of delivery obligations as between such matched parties. Matching shall take place at such time as provided in the relevant Contract Specifications; or</p> <p>b. the posting of Performance Deposits (where applicable) by the Selling Member and the Buyer Member.</p> <p>The new contract arising from the re-novation shall simultaneously discharge and replace pro tanto the Contract between the Selling Member or Buying Member and the Clearing House, and the</p>	<p>by reference to the Seller and the Buyer through their respective Clearing Members,</p> <p>(i) <u>the relevant parties in accordance with the relevant Contract Specifications; or</u></p> <p>(ii) matching of the Seller or Buyer for whom an insolvent clearing member Clearing Member acts and the opposite counterparty through its Clearing Member counterparty clearing member.</p> <p>Matching shall take place at such time as provided in the relevant Contract Specifications; or</p> <p>b.</p> <p>(i) <u>the posting of Performance Deposits and, (where applicable), payment of the contract value, as confirmed by the appropriate settlement banks of such Clearing Members as are undertaking Delivery Obligations under a delivery contract; and by the Selling Member and the Buyer Member.</u></p> <p>(ii) <u>where the counterparty clearing member is a member of any other Relevant Market (or its clearing house), confirmation from such Relevant Market (or its clearing house) that its requirements for re-novation have been met.</u></p> <p>The new contract arising from the re-novation shall simultaneously discharge and replace pro tanto the Contract between the Selling Member or Buying Member and the Clearing House, and the</p>

Current Rules	New Rules
<p>Clearing House shall be released from its obligations as a central counterparty. For the avoidance of doubt, re-novation only applies to matched positions relating to lot sizes equal to or more than the minimum size prescribed under the relevant Contract Specifications for physical delivery.</p>	<p>Clearing House shall be released from its obligations as a central counterparty. For the avoidance of doubt, re-novation only applies to matched positions relating to lot sizes equal to or more than the minimum size prescribed under the relevant Contract Specifications for physical delivery.</p>
<p>6.02A.8 <u>Method of Matching</u></p> <p>Contracts subject to physical delivery shall be matched by the Clearing House based on the quantity, lot size and the mutual preference(s) (if any) stated by the Seller and Buyer (through their respective Clearing Members). Failing mutuality of preferences, matching shall be in accordance with the preference(s) of the Seller or Buyer, as the case may be, as stated in the relevant Contract Specifications.</p>	<p>6.02A.8 <u>Method of Matching</u></p> <p>6.02A.8.1 Contracts subject to physical delivery shall be matched by the Clearing House in accordance with the relevant Contract Specifications.</p> <p>6.02A.8.2 Notwithstanding Rule 6.02A.8.1, Contracts traded on the Exchange and subject to physical delivery shall be matched by the Clearing House based on the quantity, lot size and the mutual preference(s) (if any) stated by the Seller and Buyer (through their respective Clearing Members). Failing mutuality of preferences, matching shall be in accordance with the preference(s) of the Seller or Buyer, as the case may be, as stated in the relevant Contract Specifications.</p>
<p>6.02A.9 <u>Forms for Matching</u></p> <p>The Clearing House may prescribe such forms and/or other requirements for the giving of relevant notice, initiating and/or completing delivery under a Contract and/or necessary to enable the Clearing House to effect the required matching of a Seller and Buyer through their respective Clearing Members to effect delivery as between them as are consistent with the Delivery Rules. If a Clearing Member fails to give the relevant delivery notice or acceptance notice within the prescribed time, the Clearing House shall be entitled to match such Clearing Member with the opposite Seller or Buyer, as the case may be. Matching shall be in accordance with the preference(s) of such opposite Seller or Buyer.</p>	<p>6.02A.9 <u>Forms for Matching</u></p> <p>The Clearing House may prescribe such forms and/or other requirements for the giving of relevant notice, initiating and/or completing delivery under a Contract and/or necessary to enable the Clearing House to effect the required matching of the relevant parties of a Seller and Buyer through their respective Clearing Members to effect delivery as between them as are consistent with the relevant Delivery Rules. If a Clearing Member fails to give the relevant delivery notice or acceptance notice within the prescribed time, the Clearing House shall be entitled to match such Clearing Member with the relevant counterparty opposite Seller or Buyer, as the case may be. Matching may shall be in accordance with the</p>

Current Rules	New Rules
	<p>preference(s) of such <u>opposite counterparty</u> opposite Seller or Buyer.</p>
<p>New Rule</p>	<p>6.02A.9A Notification of Matching</p> <p>The Clearing House shall notify the relevant matched parties in such manner and at such time as specified in the relevant Contract Specifications.</p>
<p>6.02A.10 <u>Force Majeure</u></p> <p>6.02A.10.1 Unless the delivery provisions in the relevant Contract Specifications otherwise provide, the Delivery Obligations of Contracts shall be absolute and unconditional and shall not be subject to the defence of Force Majeure, impossibility, commercial impracticability or other similar defences. Notwithstanding the preceding, if delivery or acceptance or any precondition or requirement of the Buying Member or Selling Member as the case may be is prevented or threatened to be prevented as a consequence of or arising out of an occurrence of Force Majeure relevant to performance by the relevant Seller or Buyer such that performance by such Seller and/or Buyer cannot be guaranteed by reason of such occurrence of Force Majeure, such Selling Member or Buying Member as the case may be shall immediately notify the Clearing House. If the Clearing House determines that emergency action may be necessary, it shall call a special meeting with the Exchange and arrange for the presentation of evidence with respect to the occurrence of Force Majeure. If the Clearing House and the Exchange determine that a Force Majeure exists, the Clearing House and the Exchange shall take such action as they see fit, including but not limited to the deferment of delivery dates and the designation of alternate delivery points. For the purposes of this Rule 6.02A.10, Force Majeure means any event beyond the control</p>	<p>6.02A.10 <u>Force Majeure</u></p> <p>6.02A.10.1 Unless the delivery provisions in the relevant Contract Specifications otherwise provide, the Delivery Obligations of Contracts shall be absolute and unconditional and shall not be subject to the defence of Force Majeure, impossibility, commercial impracticability or other similar defences. Notwithstanding the preceding, if delivery or acceptance or any precondition or requirement of the Buying Member or Selling Member as the case may be is prevented or threatened to be prevented as a consequence of or arising out of an occurrence of Force Majeure relevant to performance of Delivery Obligations by the relevant Seller or Buyer such that performance by of such Seller and/or Buyer Delivery Obligations cannot be guaranteed by reason of such occurrence of Force Majeure, such Selling Member or Buying Member as the case may be shall immediately notify the Clearing House.</p>

Current Rules	New Rules
<p>of a Seller or Buyer or its respective Clearing Member including acts of a civil or military authority, labour disputes, strikes, fires, floods, epidemic diseases, accidents, wars (whether declared or undeclared), acts of the public enemy, riots, perils of the sea, embargoes, restrictions imposed by any governmental authority (including allocations, priorities, requisitions, quotas and price controls) or any other acts of God.</p>	<p>6.02A.10.1A If the Clearing House determines that emergency action may be necessary, it shall <u>take such action as it deems fit in accordance with the relevant Contract Specifications.</u>;</p> <p>6.02A.10.1B <u>Notwithstanding Rule 6.02A.10.1A, in the case of a Contract traded on the Exchange, the Clearing House</u> it shall call a special meeting with the Exchange and arrange for the presentation of evidence with respect to the occurrence of Force Majeure. If the Clearing House and the Exchange determine that a Force Majeure exists, the Clearing House and the Exchange shall take such action as they see fit, including but not limited to the deferment of delivery dates and the designation of alternate delivery points.</p> <p>6.02A.10.1C For the purposes of this Rule 6.02A.10, Force Majeure <u>means shall have the meaning as set forth in the relevant Contract Specifications or the rules of the Relevant Market on which the Contract was traded.</u></p> <p>6.02A.10.1D <u>Notwithstanding Rule 6.02A.10.1C, in the case of a Contract traded on the Exchange, Force Majeure means</u> any event beyond the control of a Seller or Buyer or its respective Clearing Member including acts of a civil or military authority, labour disputes, strikes, fires, floods, epidemic diseases, accidents, wars (whether declared or undeclared), acts of the</p>

Current Rules	New Rules
<p>6.02A.10.2 Without prejudice to Rule 6.02A.10.1, in the event that the Clearing House and the Exchange determine that for any reason whatsoever there exists or is likely to come into existence a shortage of the underlying Commodity or circumstances prejudicial to a Seller or Buyer or it's respective Clearing Member's Delivery Obligations, the Clearing House and the Exchange may take such action as may appear necessary to prevent, correct, or alleviate such shortage.</p>	<p>public enemy, riots, perils of the sea, embargoes, restrictions imposed by any governmental authority (including allocations, priorities, requisitions, quotas and price controls) or any other acts of God.</p> <p>6.02A.10.2 Without prejudice to Rule 6.02A.10.1 to Rule 6.02A.10.1D, in the event that the Clearing House and/or the Exchange determine that for any reason whatsoever there exists or is likely to come into existence a shortage of the underlying Commodity or circumstances prejudicial to a Seller or Buyer or it's respective Clearing Member's Delivery Obligations the Clearing House and/or the Exchange may take such action as may appear necessary to prevent, correct, or alleviate such shortage, subject to the provisions in the relevant Contract Specifications for such shortage, if any.</p>
<p>6.02A.13 <u>Clearing House does not Verify Authenticity of Documents or Check Commodity</u></p> <p>The Clearing House shall have no responsibility or liability to any person:</p> <p>6.02A.13.1 to investigate, verify or guarantee the authenticity, validity, accuracy, or completeness of:-</p> <p>(a) any form or document required by it for the required matching of a Seller and Buyer through their respective Clearing Members or matching of a Seller or Buyer for whom an insolvent Clearing Member acts and the opposite counterparty through its Clearing Member; or</p>	<p>6.02A.13 <u>Clearing House does not Verify Authenticity of Documents or Check Commodity</u></p> <p>The Clearing House shall have no responsibility or liability to any person:</p> <p>6.02A.13.1 to investigate, verify or guarantee the authenticity, validity, accuracy, or completeness of:-</p> <p>(a) any form or document required by it for the required matching of:</p> <p>(i) the relevant parties in accordance with the Contract Specifications a Seller and Buyer through their respective Clearing Members; or</p> <p>(ii) matching of a Seller or Buyer for whom an</p>

Current Rules	New Rules
<p>(b) any Title Documents received by the Clearing House under the relevant Contract Specifications,</p> <p>to effect delivery as between such matched parties as are consistent with the Delivery Rules. Nonetheless, the Clearing House reserves the right at its discretion and in good faith to reject any form or accompanying documents submitted by a Clearing Member for such matching, delivery or any other purposes if in its good faith view, the form or accompanying documents (or, where relevant, payment) as submitted are not in compliance with its stated requirements or otherwise indicate that the delivery to be effected or accepted are not in compliance with the Delivery Rules;</p> <p>6.02A.13.2 to check any Commodity received from or delivered through a Clearing Member in relation to the quality or suitability of fitness of the Commodity and the obligation of the Seller or Buyer to make or take delivery under a delivery contract; and</p> <p>6.02A.13.3 with respect to any forged or irregular documents, including Title Documents, relating to any open contract and delivery contract, received or delivered through a Clearing Member. The sole recourse of the Clearing Member receiving such forged or irregular documents shall be to the Clearing Member which delivered or caused to be delivered such forged or irregular documents.</p>	<p>insolvent <u>clearing member</u> Clearing Member acts and the opposite counterparty <u>clearing member</u> through its Clearing Member; or</p> <p>(b) any Title Documents received by the Clearing House under the relevant Contract Specifications,</p> <p>to effect delivery as between such matched parties as are consistent with the <u>relevant</u> Delivery Rules. Nonetheless, the Clearing House reserves the right at its discretion and in good faith to reject any form or accompanying documents submitted by a Clearing Member for such matching, delivery or any other purposes if in its good faith view, the form or accompanying documents (or, where relevant, payment) as submitted are not in compliance with its stated requirements or otherwise indicate that the delivery to be effected or accepted are not in compliance with the <u>relevant</u> Delivery Rules;</p> <p>6.02A.13.2 to check any Commodity received from or delivered <u>to through a Clearing Member the clearing member of a Buyer or Seller</u> in relation to the quality or suitability of fitness of the Commodity and the obligation of the Seller or Buyer, <u>or its clearing member</u>, to make or take delivery under a delivery contract; and</p> <p>6.02A.13.3 with respect to any forged or irregular documents, including Title Documents, relating to any open contract and delivery contract, received <u>from</u> or delivered <u>to through the clearing member of a Buyer or Seller a Clearing Member</u>. The sole recourse of the Clearing Member receiving such forged or irregular documents shall be to the <u>Clearing Member</u> which delivered or caused to be delivered such forged or irregular documents.</p>
<p>6.02A.15 <u>Disclaimers</u></p>	<p>6.02A.15 <u>Disclaimers</u></p>

Current Rules	New Rules
<p>6.02A.15.1 Title Documents and Transfer of Title or Possession</p> <p>The Clearing House disclaims any liability arising from or in connection with the delivery or non-delivery of Title Documents by any Clearing Member and any irregularities in the transfer of title and/or possession in the underlying Commodity from the Seller to the Buyer.</p> <p>6.02A.15.2 Release of Payment</p> <p>In no event shall the Clearing House be liable for releasing any payment in exchange for documents that appear bona fide on their faces.</p>	<p>6.02A.15.1 Title Documents and Transfer of Title or Possession</p> <p>The Clearing House disclaims any liability arising from or in connection with the delivery or non-delivery of Title Documents by any the C<u>clearing M</u>m<u>ember of any Seller</u> and any irregularities in the transfer of title and/or possession in the underlying Commodity from the Seller to the Buyer.</p> <p>6.02A.15.2 Release of Payment</p> <p>In no event shall the Clearing House be liable for releasing any payment in exchange for documents that appear bona fide on their faces.</p>
<p>6.03 DELIVERY DEFAULT MAY BE MAJOR OFFENCE</p> <p>6.03.1 Any delivery default under the relevant Contract Specifications may constitute a major offence.</p> <p>New Rule</p>	<p>6.03 DELIVERY DEFAULT MAY BE MAJOR OFFENCE</p> <p>6.03.1 Any delivery default under the relevant Contract Specifications may constitute a major offence.</p> <p>6.03.2 Without prejudice to Rule 6.03.1, the Clearing House may take such disciplinary action including imposing penalties in connection with the performance of Delivery Obligations as provided for under the relevant Contract Specifications. For the avoidance of doubt, penalties which the Clearing House may impose shall include penalties for any delivery default or late performance of any Delivery Obligation.</p>
<p>6.05 CONSOLIDATION OF POSITIONS AND OTHER POWERS OF THE CLEARING HOUSE</p> <p>6.05.1 If at any time the Clearing House becomes aware of opposite open positions held by different Clearing Members for the account of the same Seller or Buyer, the Clearing House may (but is not obliged to) direct such Clearing Members to take steps to liquidate the</p>	<p>6.05 CONSOLIDATION OF POSITIONS AND OTHER POWERS OF THE CLEARING HOUSE</p> <p>6.05.1 If at any time the Clearing House becomes aware of opposite open positions held by different Clearing Members, <u>or by any Clearing Member and clearing member of any other Relevant Market (or its clearing house)</u>, for the account of the same Seller or Buyer, the</p>

Current Rules	New Rules
offsetting positions.	Clearing House may (but is not obliged to) direct such Clearing Members to take steps to liquidate the offsetting positions.
<p>6.05.2 Where a Seller or Buyer has open positions with more than one Clearing Member on the first Business Day following the Last Trading Day, the Clearing House may (but is not obliged to) consolidate all such open positions held by all the Clearing Members for the same Seller or Buyer in such manner as it deems fit including, without limitation, effecting the following:</p>	<p>6.05.2 Where a Seller or Buyer has open positions with more than one Clearing Member, <u>or with any Clearing Member and any clearing member of any other Relevant Market (or its clearing house)</u> on the first Business Day following the Last Trading Day, the Clearing House may (but is not obliged to) consolidate all such open positions held by all the Clearing Members <u>and clearing members of such other Relevant Market (or its clearing house)</u> for the same Seller or Buyer in such manner as it deems fit including, without limitation, effecting the following:</p>
<p>6.05.2.1 appointing one (1) or more of these Clearing Members to whom all such positions shall be transferred to be handled for such Seller or Buyer, where such appointment shall be binding;</p>	No change.
<p><u>New Rule</u></p>	<p><u>6.05.2.2 requiring any Clearing Member to transfer positions to one (1) or more such clearing members of the other Relevant Market to be handled for such Seller or Buyer;</u></p>
<p>6.05.2.2 setting-off any opposite open positions held by the appointed Clearing Member(s) for the account of the same Seller or Buyer; and/or</p>	<p>6.05.2.23 setting-off any opposite open positions held by the appointed Clearing Member(s) for the account of the same Seller or Buyer; and/or</p>
<p>6.05.2.3 taking such other actions or giving such other directions to the appointed Clearing Member(s) as it deems fit.</p>	<p>6.05.2.34 taking such other actions or giving such other directions to the appointed Clearing Member(s) as it deems fit.</p>
<p>6.05.3 Notwithstanding that the Clearing House is entitled to consolidate the open positions of the Clearing Members with reference to the account of the Seller or Buyer, nothing in Rule 6.05.2 shall imply or be construed to mean that a Seller or Buyer (who is not a Clearing Member) shall have any right against the Clearing House with</p>	<p>6.05.3 Notwithstanding that the Clearing House is entitled to consolidate the open positions of the Clearing Members <u>and the clearing members of any other Relevant Market (or its clearing house)</u> with reference to the account of the Seller or Buyer, nothing in Rule 6.05.2 shall imply or be construed to mean that a Seller or Buyer (who is not a Clearing Member) shall have any right against the</p>

Current Rules	New Rules
regard to its open positions which have been so consolidated.	Clearing House with regard to its open positions which have been so consolidated.
<p>6.06 PASSING OF PROPERTY AND RISK</p> <p>6.06.1 Property and risk in relation to an underlying Commodity in any delivery contract shall pass in accordance with the provisions in the relevant Contract Specifications and the Trading Rules, and if not so dealt with, with the provisions of the Sale of Goods Act (Chapter 393). For the avoidance of doubt, at no time will property and risk in any underlying Commodity in any delivery contract pass to the Clearing House.</p>	<p>6.06 PASSING OF PROPERTY AND RISK</p> <p>6.06.1 Property and risk in relation to an underlying Commodity in any delivery contract shall pass in accordance with the relevant Delivery Rules provisions in the relevant Contract Specifications and the Trading Rules, and if not so dealt with, with the provisions of the Sale of Goods Act (Chapter 393). For the avoidance of doubt, at no time will property and risk in any underlying Commodity in any delivery contract pass to the Clearing House.</p>
<p>6.07 DELIVERIES INVOLVING CLEARING HOUSE AS ESCROW AGENT AND TREATMENT OF PERFORMANCE DEPOSITS</p> <p>6.07.1 If so required under the relevant Contract Specifications, a Selling Member and/or Buying Member in a delivery contract shall cause its respective Seller or Buyer (the “depositing party”) to post with the Clearing House as escrow agent a Performance Deposit or other payment as may be prescribed under the relevant Contract Specifications, at such time as provided under the relevant Contract Specifications, as security for the benefit of the Buyer or Seller who is the counterparty under the delivery contract for the performance of the depositing party’s obligations under the delivery contract. For the avoidance of doubt, posting of Performance Deposits by the depositing party are to be made without any set-off or withholding.</p> <p>6.07.2 A Selling Member or Buying Member shall collect Performance Deposits and other Escrow Assets (where applicable) from its</p>	<p>6.07 DELIVERIES INVOLVING CLEARING HOUSE AS ESCROW AGENT AND TREATMENT OF PERFORMANCE DEPOSITS</p> <p>6.07.1 If so required under the relevant Contract Specifications, a Selling Member and/or Buying Member in a delivery contract shall post or cause its respective Seller or Buyer (the “depositing party”) to post with the Clearing House as escrow agent a Performance Deposit or other payment as may be prescribed under the relevant Contract Specifications (such person responsible for posting the Performance Deposit or other payment being referred to as the “depositing party”), at such time as provided under the relevant Contract Specifications, as security for the benefit of the Buyer or Seller who is the counterparty under the delivery contract for the performance of the depositing party’s obligations under the delivery contract. For the avoidance of doubt, posting of Performance Deposits by the depositing party are to be made without any set-off or withholding.</p> <p>No change.</p>

Current Rules	New Rules
<p>respective Seller or Buyer within such time as prescribed in the relevant Contract Specifications, or by the Clearing House.</p>	
<p>6.07.3 No Clearing Member shall grant, whether directly or indirectly, any advance, loan or credit facility to any Seller or Buyer for the purpose of posting Performance Deposits or other Escrow Assets (where applicable) with the Clearing House.</p>	<p>No change.</p>
<p>6.07.4 When under this Rules, the Clearing House becomes the escrow agent of any Title Document, property or money (the "Escrow Asset") in connection with the delivery of the underlying Commodity, the Clearing House holds such Escrow Asset solely as escrow agent on behalf of the depositing party. As escrow agent, the Clearing House shall act solely as a stakeholder for the convenience of the depositing party and in accordance with the terms for such escrow holding as may be set out in this Rules or the relevant Contract Specifications. None of the Clearing House, any of its directors, officers, agents or employees (collectively "Officers") shall be liable to any party for any loss or damage arising out of or in connection with any act or omission with respect to the delivery and/or payment obligations of the depositing party during the period that the Clearing House is the escrow agent for such Escrow Asset or with respect to the non-release or delay in release of the Escrow Asset in accordance with the terms of the escrow unless the loss or damage is caused directly as a result of wilful breach or breach in bad faith by the Officers of the terms of the escrow.</p>	<p>No change.</p>
<p>6.07.5 The Clearing House shall be entitled to physically commingle Performance Deposits and other Escrow Assets (where applicable) with all margins and Security Deposits subject always to its obligations under the SFA to segregate monies received for House</p>	<p>No change.</p>

Current Rules	New Rules
<p>Contracts and Customer Contracts.</p> <p>6.07.6 The Clearing House shall be entitled to charge an administrative fee for acting as the escrow agent.</p> <p>6.07.7 The Clearing House shall credit all Performance Deposits and other Escrow Assets (where applicable) which a Clearing Member has posted with the Clearing House pursuant to this Rules with interest, dividends, and any other returns or entitlements on the full amount at such rate as prescribed by the Clearing House except for:</p> <p>6.07.7.1 money continued to be held consequent or subsequent to a delivery default; and</p> <p>6.07.7.2 any administrative fees payable to the Clearing House pursuant to Rule 6.07.6.</p>	<p>No change.</p> <p>No change.</p>
<p>6.07.8 <u>Release of Performance Deposits</u></p> <p>6.07.8.1 Subject to Rule 6.07.8.2, if there is no claim or no outstanding claim, the Clearing House shall return the Performance Deposit posted with it (less any administrative fees payable) to the respective Selling Member and Buying Member, as the case may be, upon their request, only:</p> <p>a. upon notification by the Selling Member and Buying Member that their respective Seller and Buyer have agreed to an Alternative Delivery Procedure and each of them has furnished an indemnity on terms acceptable to the Clearing House;</p> <p>b. at any time after a notification has been lodged by the Buying Member on behalf of its Buyer that no claim</p>	<p>6.07.8 <u>Release of Performance Deposits</u></p> <p>6.07.8.1 Subject to Rule 6.07.8.2, if there is no claim or no outstanding claim, the Clearing House shall return the Performance Deposit posted with it (less any administrative fees payable) to the respective Selling Member and Buying Member, as the case may be, upon their request, only as provided in the relevant Contract Specifications, or, in the case of a Contract traded on the Exchange:</p> <p>a. upon notification by the Selling Member and Buying Member that their respective Seller and Buyer have agreed to an Alternative Delivery Procedure and each of them has furnished an indemnity on terms acceptable to the Clearing House;</p> <p>b. at any time after a notification has been lodged by the Buying Member on behalf of its Buyer that no claim</p>

Current Rules	New Rules
<p>whatsoever will be made by the Buyer on the underlying Commodity delivered by the Seller provided that the Clearing House shall not release any of the Performance Deposit to the Buying Member unless the Selling Member is first notified of the request to so release and thereafter given an opportunity to raise its objections (if any) to such release;</p> <p>c. upon notification by the Selling Member that it has paid or settled all liabilities to the Buying Member in respect of any claim on the underlying Commodity delivered by the Seller to the Buyer and for which the Performance Deposit to be released has been posted provided that the Clearing House shall not release any of the Performance Deposit to the Selling Member unless the Buying Member is first notified of the request to so release and thereafter given an opportunity to raise its objections (if any) to such release; or</p> <p>d. as provided in the relevant Contract Specifications.</p> <p>6.07.8.2 The lodging of a claim which is not bona fide by a Seller or Buyer may subject its respective Clearing Member to such penalties as the Clearing House may impose.</p>	<p>whatsoever will be made by the Buyer on the underlying Commodity delivered by the Seller provided that the Clearing House shall not release any of the Performance Deposit to the Buying Member unless the Selling Member is first notified of the request to so release and thereafter given an opportunity to raise its objections (if any) to such release; <u>or</u></p> <p>c. upon notification by the Selling Member that it has paid or settled all liabilities to the Buying Member in respect of any claim on the underlying Commodity delivered by the Seller to the Buyer and for which the Performance Deposit to be released has been posted provided that the Clearing House shall not release any of the Performance Deposit to the Selling Member unless the Buying Member is first notified of the request to so release and thereafter given an opportunity to raise its objections (if any) to such release. ; or</p> <p>d. as provided in the relevant Contract Specifications.</p> <p>6.07.8.2 The lodging of a claim which is not bona fide by a Seller or Buyer, <u>or Clearing Member as the case may be,</u> may subject <u>its respective such</u> Clearing Member <u>or the Clearing Member of such Seller or Buyer</u> to such penalties as the Clearing House may impose.</p>
<p>6.07.9 <u>Release of Escrow Assets Other than Performance Deposits</u></p> <p>The Clearing House shall release the Escrow Assets other than the Performance Deposits (less any administrative fees payable) to the respective Selling Member and/or Buying Member, as the case may be, only as provided in the relevant Contract Specifications. For the avoidance of doubt, upon the release of such Escrow Assets, the</p>	<p>6.07.9 <u>Release of Escrow Assets Other than Performance Deposits</u></p> <p>The Clearing House shall release the Escrow Assets other than the Performance Deposits (less any administrative fees payable) to the respective <u>clearing members of the Seller and/or Buyer</u> Selling Member and/or Buying Member, as the case may be, only as provided in the relevant Contract Specifications. For the avoidance</p>

Current Rules	New Rules
<p>Clearing House shall be released from its obligations as an escrow agent in relation to such Escrow Assets, and from any liabilities in relation thereto.</p>	<p>of doubt, upon the release of such Escrow Assets, the Clearing House shall be released from its obligations as an escrow agent in relation to such Escrow Assets, and from any liabilities in relation thereto.</p>
<p>New Rule</p>	<p>6.07A CLEARING HOUSE MAY APPOINT A FACILITATOR AGENT</p> <p>6.07A.1 The Clearing House may appoint any person as a Facilitator Agent to perform, on its behalf, such function as may be required for the purpose of facilitating delivery of the underlying Commodity of any Contract by Clearing Members.</p> <p>6.07A.2 Clearing Members shall perform such Delivery Obligations through the Facilitator Agent as prescribed by the Clearing House.</p>
<p>6.09 ALTERNATIVE DELIVERY PROCEDURE</p> <p>6.09.1 Unless otherwise provided by the relevant Contract Specifications, nothing in this Rules shall prevent the parties otherwise obliged to make and take delivery from effecting delivery via Alternative Delivery Procedure.</p> <p>6.09.2 Upon the delivery of a notice of Alternative Delivery Procedure to the Clearing House (the “ADP Notice”), the Seller and Buyer or such persons designated to make or take delivery as may be prescribed in the ADP Notice shall be solely responsible for completing delivery.</p> <p>6.09.3 Notwithstanding Rule 6.02A.2, the Selling Member and Buying Member shall be released from their respective Delivery Obligations, and the Clearing House from its obligations as a central counterparty and/or an escrow agent, and from any liabilities in relation thereto, upon the election of an Alternative Delivery</p>	<p>6.09 ALTERNATIVE DELIVERY PROCEDURE</p> <p>No change.</p> <p>No change.</p> <p>6.09.3 Notwithstanding Rule 6.02A.2, the Selling Member and or Buying Member shall be released from their respective Delivery Obligations, and the Clearing House from its obligations as a central counterparty and/or an escrow agent, and from any liabilities in relation thereto, upon the election of an Alternative Delivery</p>

Current Rules	New Rules
<p>Procedure.</p> <p>6.09.4 In executing such Alternative Delivery Procedure, the Seller and Buyer or such persons designated to respectively make and take delivery as may be prescribed in the ADP Notice shall jointly and severally indemnify the Clearing House and the Exchange against any liability, costs or expense it may incur for any reason as a result of the execution, delivery or performance of any agreement reached between the Seller and Buyer or such persons designated to respectively make and take delivery as may be prescribed in the ADP Notice, or any breach thereof or default thereunder.</p> <p>New Rule</p>	<p>Procedure.</p> <p>6.09.4 In executing such Alternative Delivery Procedure, the Seller and/or Buyer, <u>for whom a Clearing Member acts</u>, or such persons designated to respectively make and/or take delivery <u>in place of such Clearing Member</u> as may be prescribed in the ADP Notice shall jointly and severally indemnify the Clearing House and the Exchange against any liability, costs or expense it may incur for any reason as a result of the execution, delivery or performance of any agreement reached between the Seller and Buyer or such persons designated to respectively make and take delivery as may be prescribed in the ADP Notice, or any breach thereof or default thereunder.</p> <p><u>For the avoidance of doubt, where the clearing members of the Relevant Market making or taking delivery prior to the execution of an Alternative Delivery Procedure are both Clearing Members, the Buyer and Seller or such persons designated to make and take delivery in place of the Clearing Members as may be prescribed in the ADP Notice shall jointly and severally indemnify the Clearing House and/or the Exchange.</u></p>
<p>6.10 POST ARBITRAL AWARD PROCEDURES</p> <p>New Rule</p>	<p>6.10 POST ARBITRAL AWARD PROCEDURES</p> <p><u>6.10.1 Where any dispute in connection with a deliverable commodity futures contract is settled by such claim procedure set forth or referred to in the relevant Contract Specifications, the Clearing Member shall follow such post arbitral award procedures as set forth in the relevant Contract Specifications.</u></p>

Current Rules	New Rules
<p>6.10.1 Where any dispute in connection with a deliverable commodity futures contract is settled by arbitration before the SIAC, and upon the conclusion of arbitration and the grant of an arbitral award, SIAC shall serve a notice of the award on the Clearing House and each of the Clearing Members to the arbitration.</p>	<p>6.10.42 Without prejudice to Rule 6.10.1, Wwhere any dispute in connection with a deliverable commodity futures contract is settled by arbitration before the SIAC, the procedures set out in this Rule 6.10 shall apply.</p> <p>6.10.42A and uUpon the conclusion of arbitration and the grant of an arbitral award, SIAC shall serve a notice of the award on the Clearing House and each of the Clearing Members to the arbitration.</p>
<p>6.10.2 If an arbitral award is made in favour of the Buying Member, the Buying Member shall be entitled to:</p>	<p>6.10.23 If an arbitral award is made in favour of the Buying Member, the Buying Member shall be entitled to:</p>
<p>6.10.2.1 claim the Performance Deposit posted in relation to the delivery contract by the Selling Member with the Clearing House to the extent that it satisfies the arbitral award; and</p>	<p>6.10.23.1 claim the Performance Deposit posted in relation to the delivery contract by the Selling Member with the Clearing House to the extent that it satisfies the arbitral award; and</p>
<p>6.10.2.2 the return of the Performance Deposit posted by it in relation to the delivery contract with the Clearing House, without any deduction or set-off.</p>	<p>6.10.23.2 the return of the Performance Deposit posted by it in relation to the delivery contract with the Clearing House, without any deduction or set-off.</p>
<p>6.10.3 If the Performance Deposit posted by the Selling Member in relation to the delivery contract is insufficient to satisfy the arbitral award made in favour of the Buying Member, the Buying Member shall be entitled to pursue the balance of such arbitral award against the Selling Member. If such Performance Deposit is greater than the arbitral award made in favour of the Buying Member, the balance of the Performance Deposit shall be returned to the Selling Member.</p>	<p>6.10.34 If the Performance Deposit posted by the Selling Member in relation to the delivery contract is insufficient to satisfy the arbitral award made in favour of the Buying Member, the Buying Member shall be entitled to pursue the balance of such arbitral award against the Selling Member. If such Performance Deposit is greater than the arbitral award made in favour of the Buying Member, the balance of the Performance Deposit shall be returned to the Selling Member.</p>
<p>6.10.4 Where the arbitral award is made in favour of the Selling Member, Rules 6.10.2 and 6.10.3 shall apply with the references to “Buying Member” and “Selling Member” being changed to “Selling Member” and “Buying Member” respectively.</p>	<p>6.10.45 Where the arbitral award is made in favour of the Selling Member, Rules 6.10.2 and 6.10.34 shall apply with the references to “Buying Member” and “Selling Member” being changed to “Selling Member” and “Buying Member” respectively.</p>

Current Rules	New Rules
<p>6.10.5 For the avoidance of doubt, the above procedures do not apply if the Clearing Members have agreed to effect delivery via an Alternative Delivery Procedure.</p>	<p>6.10.<u>56</u> For the avoidance of doubt, the above procedures do not apply if the Clearing Members have agreed to effect delivery via an Alternative Delivery Procedure.</p>

Chapter 7 – Clearing and Margins

Current rule	New rule
<p>7.01 CLEARING HOUSE</p> <p>7.01.1 The Clearing House shall facilitate the prompt adjustment of contractual obligations arising out of Contracts traded on the Exchange, a Relevant Market and the Participating Markets and OTC Contracts insofar as the same are duly accepted by the Clearing House or with respect to which the Clearing House is otherwise obliged to accept and to protect the integrity of such Contracts in accordance with these Rules.</p> <p><u>New Rule</u></p> <p>7.01.2 Wherever these Rules and/or the Trading Rules create a right in favour of the Clearing House or impose a liability on the Clearing House, such right or liability shall prior to the Transfer Date be construed as the right or liability of the Exchange, and shall be enforced by or against the Exchange and on or after the Transfer Date, shall be construed as the right or liability of the Clearing House, and shall be enforced by or against the Clearing House.</p> <p>7.01.3 <i>[Rule has been deleted.]</i></p> <p>7.01.4 The Clearing House shall from time to time prescribe in these Rules the rights and obligations of Clearing Members and all requisite matters in relation to the operation and management of the Clearing House (including but not limited to systems of clearing, deposits, margins, delivery, charges, settlement prices, payments and</p>	<p>7.01 CLEARING HOUSE</p> <p>No change.</p> <p><u>7.01.1A Further to Rule 7.01.1, the Clearing House shall accept such Contracts traded on a Relevant Market other than the Exchange, as prescribed in Appendix 2.</u></p> <p>No change.</p> <p>No change.</p> <p>No change.</p>

Current rule	New rule
settlement).	
<p>7.02 LIMITATION OF LIABILITY</p> <p>7.02.1 Without prejudice to any other limitation or exclusion of liability (including liability with respect to Contracts liable to delivery as opposed to cash settlement) the liability of the Clearing House shall be limited to net losses to the Clearing Members resulting from the substitution of the Clearing House by way of novation in respect of Contracts between Clearing Members and/or to net losses in connection with the substitution of a Participating Market (or where relevant its clearing house) for members of the same or its clearing house pursuant to the Mutual Offset System.</p> <p>Without prejudice to the generality of the foregoing or to the provisions in Chapter 1, the Clearing House shall not be liable for obligations of a Clearing Member to any Third Party including a non-member of the Clearing House, obligations of a Clearing Member to another Clearing Member who is acting for him as broker or obligations to a Customer by a Clearing Member, nor shall the Clearing House become liable to make deliveries whether from any Third Party or any Clearing Member.</p>	<p>7.02 LIMITATION OF LIABILITY</p> <p>7.02.1 Without prejudice to any other limitation or exclusion of liability (including liability with respect to Contracts liable to delivery as opposed to cash settlement) the liability of the Clearing House shall be limited to net losses to the Clearing Members resulting from the substitution of the Clearing House by way of novation <u>or as otherwise described in Rule 7.04</u>, in respect of Contracts between to which <u>Clearing Members are party</u> and/or, <u>where the opposite side of the Contract is cleared through any other Relevant Market (or its clearing house)</u>, to net losses in connection with the substitution of <u>such other Relevant Market (or its clearing house) for members of the same or its clearing house</u>. <u>This shall include the substitution of</u> a Participating Market (or where relevant its clearing house) for members of the same or its clearing house pursuant to the Mutual Offset System.</p> <p>No change.</p>
<p>7.03 PROTECTION OF CLEARING HOUSE</p>	<p>7.03 PROTECTION OF CLEARING HOUSE</p>
<p>7.03.1 <u>Default by Clearing Member and Participating Market</u></p>	<p>7.03.1 <u>Default by Clearing Member and any other Relevant Participating Market (or its Clearing House)</u></p>

Current rule	New rule
Without prejudice and subject to the other provisions of this Rules:	No change.
<p>7.03.1.1 Where a Clearing Member has failed promptly to discharge any of its obligations to the Clearing House in respect of a House Contract, the Clearing House may apply:</p> <p>a. the Clearing Member's Security Deposit and all other forms of security furnished to the Clearing House (except where such security is furnished in relation to Customer Contracts, it shall be governed by Rule 7.03.1.2.c);</p> <p>b. margins, assets or securities (including without limitation letters of credit provided by the Clearing Member to the Clearing House) deposited by the Clearing Member in relation to House Contracts; and</p> <p>c. in the case of a Bank Clearing Member incorporated outside Singapore which has satisfied Rule 2.02B.1.11.a or b, the cash and/or acceptable government securities deposited by the Bank Clearing Member pursuant to Rule 2.08.1B.1.</p>	<p>No change.</p> <p>No change.</p> <p>No change.</p> <p>No change.</p> <p>No change.</p>
<p>7.03.1.2 Where a Clearing Member has failed promptly to discharge any of its obligations to the Clearing House in respect of a Customer Contract, the Clearing House may apply:</p> <p>a. the Clearing Member's Security Deposit and all other forms of security furnished to the Clearing House (except where such security is furnished in relation to Customer Contracts, it shall be governed by Rule 7.03.1.2.c);</p>	<p>No change.</p> <p>No change.</p>

Current rule	New rule
<p>b. margins, assets or securities (including without limitation letters of credit provided by the Clearing Member to the Clearing House) deposited by the Clearing Member in relation to House Contracts;</p>	<p>No change.</p>
<p>c. margins, assets or securities (including without limitation letters of credit provided by the Clearing Member to the Clearing House) deposited by the Clearing Member in relation to Customer Contracts provided that the conditions in the SFA are satisfied;</p>	<p>No change.</p>
<p>d. in the case of a Bank Clearing Member incorporated outside Singapore which has satisfied Rule 2.02B.1.11.a or b, the cash and/or acceptable government securities deposited by the Bank Clearing Member pursuant to Rule 2.08.1B.1; and</p>	<p>No change.</p>
<p>e. the qualifying letters of credit deposited with the Exchange by a Trading Member sponsored by the Clearing Member, pursuant to Rule 7.3.6 of the Trading Rules, provided that the Clearing Member's default is attributable to such Trading Member's act or omission.</p>	<p>No change.</p>
<p>7.03.1.3 Without prejudice to the rights of the Clearing House in respect of failure by the Clearing Member to promptly discharge any of its obligations to the Clearing House, the Clearing Member shall immediately make up any deficiencies in its Security Deposit resulting from such applications.</p>	<p>No change.</p>
<p>7.03.1.4 The Clearing Member shall not take any action or do anything that will directly or indirectly interfere with, prohibit, restrict or inhibit the ability of the Clearing House to so apply such Security Deposit,</p>	<p>No change.</p>

Current rule	New rule
<p>margins on deposit, assets or securities and the Clearing House shall, except where it has acted in bad faith, be under no liability to the Clearing Member or any other person whatsoever in so applying such Security Deposit, margins on deposit, assets or securities and the Clearing Member shall fully indemnify and keep indemnified the Clearing House and hold the Clearing House harmless against any such liability.</p> <p>7.03.1.5 If a Participating Market and/or its clearing house as the case may be fails promptly to discharge any of its obligations to the Clearing House arising out of the Mutual Offset System, the Letters of Credit, margins, other assets or securities of such Participating Market shall be applied by the Clearing House to discharge the obligation.</p>	<p>7.03.1.5 If a Relevant Market, including a Participating Market, and/or its clearing house as the case may be fails promptly to promptly discharge any of its obligations to the Clearing House arising out of any arrangement relating to the clearing of Contracts, including arising out of the Mutual Offset System, the Letters of Credit, margins, other assets or securities of such Participating Relevant Market shall be applied by the Clearing House to discharge the obligation.</p>
<p>7.03.2 <u>Losses Borne by Clearing House</u></p> <p>7.03.2.1 On the occurrence of any of the following events, or if the Clearing House in its discretion determines that any of the following events has occurred, the Clearing House may declare an event of default:-</p> <p>a. the insufficiency of a Clearing Member’s Security Deposit, margins on deposit with the Clearing House, or any of its other assets or securities available to the Clearing House to fully discharge such Clearing Member’s obligations to the Clearing House; or</p> <p>b. the insufficiency of a Participating Market’s Letters of Credit, margins or any of its other assets or securities available to the Clearing House to fully meet such Participating Market’s and/or its clearing house’s</p>	<p>7.03.2 <u>Losses Borne by Clearing House</u></p> <p>7.03.2.1 On the occurrence of any of the following events, or if the Clearing House in its discretion determines that any of the following events has occurred, the Clearing House may declare an event of default:-</p> <p>No change.</p> <p>b. the insufficiency of a Participating Market’s the Letters of Credit, margins or any of its other assets or securities of any other Relevant Market, including a Participating Market, available to the Clearing House to fully meet</p>

Current rule	New rule
<p>obligations to the Clearing House; or</p> <p>c. the insolvency of a Clearing Member (as determined by Rule 2.30.1), a Participating Market and/or its clearing house or any depository (as defined in Rule 2.35.4); or</p> <p>d. conversion, theft, breach of trust, embezzlement, or any other cause; or</p> <p>e. any failure by a Clearing Member to post Performance Deposits with the Clearing House within the time specified in the relevant Contract Specifications.</p>	<p>such other Relevant Participating Market's and/or its clearing house's obligations to the Clearing House; or</p> <p>c. the insolvency of a Clearing Member (as determined by Rule 2.30.1), any other Relevant Market which clears the opposite side of any Contract, including a Participating Market, and/or its clearing house or any depository (as defined in Rule 2.35.4); or</p> <p>No change.</p> <p>No change.</p>
<p>7.03.7 Where an event of default is due to the insufficiency of a Participating Market's Letter of Credit, margins or any of its other assets or securities available to the Clearing House to fully meet such Participating Market's and/or its clearing house's obligations to the Clearing House or the insolvency of a Participating Market, a default shall be deemed to have occurred in the class of Contracts that are listed for trading on the Exchange or the Relevant Market.</p>	<p>7.03.7 Where an event of default is due to the insufficiency of a Participating Market's the Letter of Credit, margins or any of its other assets or securities of any other Relevant Market including a Participating Market, available to the Clearing House to fully meet such Participating Market's and/or its clearing house's the obligations of such Relevant Market and/or its clearing house to the Clearing House or the insolvency of a Participating the other Relevant Market, a default shall be deemed to have occurred in the class of Contracts that are listed for trading on the Exchange or the Relevant Market.</p>
<p>7.04 SUBSTITUTION</p> <p>7.04.1 Except with respect to trades made pursuant to Rule 7.27 (other than a Relevant Trade as defined in Rule 7.27.3), Exchanges for Physicals/Spot ("EFPs"), Exchanges for Swaps ("EFSs"), Negotiated Large Trades ("NLTs") and transfers of open positions</p>	<p>7.04 SUBSTITUTION</p> <p>No change.</p>

Current rule	New rule
<p>to an appointed Clearing Member for the purpose of consolidation pursuant to Rule 6.05.2 or as otherwise provided by this Rules, if the Clearing House accepts the clearing memoranda in respect of one or more Contracts executed on a Relevant Market and matched on a Relevant Market to be cleared through the Clearing House or accepted by the Clearing House pursuant to an Mutual Offset System, or if the Clearing House accepts an Eligible OTC transaction registered for clearing pursuant to Rule 7.02A.2, the Clearing House shall be substituted as and shall assume the position of selling Clearing Member to the buying Clearing Member and buying Clearing Member to the selling Clearing Member, thereby becoming the central counterparty, and thereupon the Clearing House shall have all the rights and be subject to all the liabilities with respect to such transaction of the Clearing Members who were the parties to such transaction. Such substitution shall be effective in law for all purposes.</p>	
<p>New Rule</p>	<p>7.04.1A <u>Notwithstanding Rule 7.04.1, where a Contract is matched and executed on any Relevant Market to which the parties are:</u></p> <p><u>a. _____ a Clearing Member; and</u></p> <p><u>b. _____ a clearing member of a Relevant Market (or its clearing house) other than the Clearing House,</u></p> <p><u>the Clearing House shall be substituted only as at the time that the Clearing House accepts the clearing memorandum in respect of the Contract and the requirements for the substitution of such other Relevant Market (or its clearing house) in respect of the opposite side of the Contract have been met. Upon the substitution of the Clearing House, it shall become the central counterparty between the Clearing Member and the clearing house of the opposite clearing member. Thereupon the Clearing House shall have all the rights and be subject to all the liabilities with respect to such transaction of the</u></p>

Current rule	New rule
	Clearing Member who was the parties to such transaction. Such substitution shall be effective in law for all purposes.
<p>7.04.2 In respect of Designated Futures Contracts traded pursuant to the Mutual Offset System, upon Inter-Exchange Transfer (as defined) in Rule 8.03 taking place the rights and liabilities of the Clearing House shall, subject to any agreement otherwise between the Clearing House and the relevant Participating Exchange, be as spelt out in the rules of the relevant Participating Market.</p>	<p>7.04.2 In respect of Designated Futures Contracts traded pursuant to the Mutual Offset System, upon Inter-Exchange Transfer (as defined) in Rule 8.03 taking place the rights and liabilities of the Clearing House shall, subject to any agreement otherwise between the Clearing House and the relevant Participating Market Exchange, be as spelt out in the rules of the relevant Participating Market.</p>
<p>7.04.3 With regard to trades made pursuant to Rule 7.27 (other than a Relevant Trade as defined in Rule 7.27.3), EFPs, EFSs and NLTs, the Clearing House shall be substituted only as at the time of payment of the first Settlement Variation and maintenance margin due for such trades pursuant to Rule 7.12 as confirmed by the appropriate settlement bank(s) for both Clearing Members.</p>	<p>7.04.3 With regard to trades made pursuant to Rule 7.27 (other than a Relevant Trade as defined in Rule 7.27.3), EFPs, EFSs and NLTs, the Clearing House shall be substituted as follows:</p> <p>7.04.3.1 in the case of trades made pursuant to Rule 7.27 (other than a Relevant Trade as defined in Rule 7.27.3), EFPs, EFSs and NLTs between Clearing Members, only as at the time of payment of the first Settlement Variation and maintenance margin due for such trades pursuant to Rule 7.12 as confirmed by the appropriate settlement bank(s) for both Clearing Members; or</p> <p>7.04.3.2 in the case of EFPs, EFSs and NLTs between a Clearing Member and a clearing member of any other Relevant Market (or its clearing house), only as at the time of payment of the first Settlement Variation and maintenance margin due for such trades pursuant to Rule 7.12 as confirmed by the appropriate settlement bank for the Clearing Members and confirmation from such other Relevant Market (or its clearing house) that the requirements for its substitution have been met.</p>
<p>7.04.3A With regard to transfers of open positions to an appointed Clearing Member for the purpose of consolidation pursuant to Rule 6.05.2, the Clearing House shall be substituted only as at the time of:</p>	<p>No change.</p>

Current rule	New rule
7.04.3A.1 payment of the first Settlement Variation, maintenance margin due for such open positions pursuant to Rule 7.12 as confirmed by the appropriate settlement bank for the appointed Clearing Member; and/or	No change.
7.04.3A.2 posting of Performance Deposits, due for such open positions pursuant to Rule 6.07.1 or the relevant Contract Specifications by the appointed Clearing Member,	No change.
whichever is applicable.	No change.
New Rule	7.04.3B <u>With regard to transfers of open positions from a Clearing Member to the appointed clearing member of any other Relevant Market (or its clearing house) for the purpose of consolidation pursuant to Rule 6.05.2, the Clearing House shall cease to stand as counterparty to the Clearing Member in respect of the transferred position only upon confirmation from such other Relevant Market (or its clearing house) that the requirements for its substitution as the counterparty to the appointed clearing member in respect of the transferred positions have been met.</u>
New Rule	7.04.3C <u>With regard to transfers of positions from a clearing member of another Relevant Market to a Clearing Member pursuant to Rule 7.28, the Clearing House shall be substituted only as at the time of payment of the first Settlement Variation and maintenance margin due for such trades pursuant to Rule 7.12 as confirmed by the appropriate settlement bank for the Clearing Member and confirmation from such other Relevant Market (or its clearing house) that the requirements for its cessation as counterparty in respect of the transferred positions have been met.</u>
New Rule	7.04.3D <u>With regard to transfers of positions from a Clearing Member to a clearing member of any other Relevant Market pursuant to Rule</u>

Current rule	New rule
	<p><u>7.28, the Clearing House shall cease to stand as counterparty in respect of the transferred positions only as at the time of payment of the first Settlement Variation and maintenance margin due for such trades pursuant to Rule 7.12 as confirmed by the appropriate settlement bank for the Clearing Member and confirmation from such other Relevant Market (or its clearing house) that the requirements for its substitution in respect of the transferred positions have been met.</u></p>
<p>7.04.4 Upon the transfer of an open contract pursuant to this Rules and its acceptance for clearing in accordance with this Rules, such open contract shall be discharged and replaced by novation by an open contract between the Clearing Member into whose name the open contract was transferred and the Clearing House, as principals to such open contract.</p>	<p>No change.</p>
<p>7.04.5 Upon the exercise of an option contract by or on behalf of a Clearing Member or, as the case may be, by the Clearing House or upon the deemed exercise of such option contract pursuant to this Rules of the Relevant Market at which the option contract was traded, the option contract shall be replaced by novation by an open contract in the terms specified in the option contract at the strike price or at some other price in accordance with the terms of such option contract.</p>	<p>No change.</p>
<p>7.04.6 Nothing in these Rules shall be regarded, treated or otherwise interpreted as limiting, diminishing, modifying or otherwise affecting the relationship between the Clearing House and a Clearing Member, which, when Contracts have been accepted by the Clearing House, and as between the Clearing House and the Clearing Member, is and is deemed to be, as principals to one another.</p>	<p>No change.</p>

Current rule	New rule
<p>7.04.7 Nothing in these Rules shall be regarded, treated or otherwise interpreted as obliging or requiring the Clearing House to recognise any right or entitlement of any Third Party (in so far as such right or entitlement is contrary to the provisions in Chapter 1 of this Rules or Rule 7.04).</p>	<p>No change.</p>
<p>New Rule</p>	<p><u>7.04A REGISTRATION OF AN NLT, EFP OR EFS IN RESPECT OF CONTRACTS LISTED ON A RELEVANT MARKET</u></p> <p><u>7.04A.1 With regard to an NLT, EFP or EFS in respect of any Contract listed for trading on a Relevant Market to be cleared through the Clearing House, Clearing Members shall comply with requirements for the registration of such NLT, EFP or EFS, as set forth in the rules of the Relevant Market.</u></p>
<p>New Rule</p>	<p><u>7.07A INVOICING BACK OF OPEN POSITIONS TO THE CLEARING HOUSE</u></p> <p><u>7.07A.1 Where open positions are invoiced back to the Clearing House by any other Relevant Market (or clearing house) relating to a Contract subject to physical delivery prior to the matching process in Rule 6.02A.7, the Clearing House may invoice the positions back to Clearing Members holding appropriate positions (whether reported back to the Clearing House as being House or Customer positions) as at the date of such invoicing back, on a pro-rata basis, calculated as the proportion of such positions of each Clearing Member at the date of such invoicing back relative to the aggregate value of such open positions held by all non-defaulting Clearing Members (to be rounded down or up if the number of lots is not a whole number at the Clearing House's absolute discretion). Invoicing back shall be carried out by the Clearing House effecting and registering opposite positions between itself and each of the affected Clearing Members and thereupon settling such open positions against such opposite</u></p>

Current rule	New rule
	positions, at a price determined by the Clearing House. The Clearing House's actions, including the timing of the invoicing back and the price determined by the Clearing House shall be binding on all affected Clearing Members.
<p>7.16 REPORTS OF LARGE POSITIONS</p> <p>7.16.1 Clearing Members shall submit to the Clearing House a daily report of Customers' Accounts and House Accounts, with details of such large positions in relation to any contract (whether assumed or entered into on any Relevant Market or elsewhere). Such daily reports shall be submitted to the Clearing House by such time and/or in such manner as may be prescribed by the Clearing House.</p> <p>Such report shall be in such form as the Clearing House may prescribe from time to time and shall include but not be limited to the account numbers and the number of open contracts in each month for a Commodity and, in the case of options, in each expiration month for a put or call option, in which any person owns or controls open positions in a single Contract Month or contract month or Delivery Month of any Commodity that equals or exceeds the reporting level for such Commodity or option prescribed from time to time by the Clearing House.</p> <p>7.16.2 The Clearing House shall be entitled to require reports from one or more Clearing Members even if the number of positions (whether assumed or entered into on any Relevant Market or elsewhere) owned or controlled is below the reporting level presently prescribed by the Clearing House.</p> <p>7.16.3 Subject to Rule 7.16.4 below, Clearing Members shall identify the owner and any controlling parties for any account or ensure that such information is made available directly to the Clearing House</p>	<p>7.16 REPORTS OF LARGE POSITIONS</p> <p>No change.</p> <p>No change.</p> <p>No change.</p> <p>No change.</p>

Current rule	New rule
<p>within such time as the Clearing House may prescribe.</p> <p>7.16.4 Upon request of the Clearing House, Clearing Members shall obtain the information required by this Rule regarding the ownership and control of positions (whether assumed or entered into on any Relevant Market or elsewhere) within any Omnibus Account and any Sub-Account of any Omnibus Account. Provided that if the Omnibus Account Holder does not want the identity of any Sub-Account holder to be disclosed to its carrying Clearing Member, the Omnibus Account Holder may apply to the Clearing House for a special identification for the Sub-Account thereof for reporting positions (whether assumed or entered into on any Relevant Market or elsewhere) covered within this Rule through its carrying Clearing Member.</p> <p>7.16.5 Violation of this Rule may constitute a major offence.</p> <p>7.16.6 The Clearing House shall be entitled to disclose the contents of any reports made under this Rule to the Exchange.</p>	<p>No change.</p> <p>No change.</p> <p>7.16.6 The Clearing House shall be entitled to disclose the contents of any reports made under this Rule to the Exchange or to any other Relevant Market or its clearing house in so far as such information relates to Contracts traded on the Relevant Market.</p>
<p>7.17 SPECULATIVE LONG AND SHORT POSITIONS; SAME CONTRACT MONTH</p> <p>7.17.1 Clearing Members shall not be permitted to carry a speculative long position and a speculative short position for any Third Party or for themselves in the case of futures contracts or OTC Contracts, in the same Commodity for the same Contract Month and in the case of options contracts, in the same Commodity, for the same class, for the same Contract Month and for the same strike price.</p> <p>New Rule</p>	<p>7.17 SPECULATIVE LONG AND SHORT POSITIONS; SAME CONTRACT MONTH</p> <p>7.17.1 Clearing Members shall not be permitted to carry a speculative long position and a speculative short position for any Third Party or for themselves in the case of futures contracts or OTC Contracts, in the same Commodity for the same Contract Month and in the case of options contracts, in the same Commodity, for the same class, for the same Contract Month and for the same strike price.</p> <p>7.17.1A The Clearing House may require any Clearing Member to liquidate any or all positions in any Contract belonging to any person</p>

Current rule	New rule
<p>New Rule</p>	<p>concurrently holding a speculative long position and a speculative short position in such Contract.</p> <p>7.17.1B Rule 7.17.1 shall not apply if the concurrent long and short speculative positions result from a transfer under Rule 7.27 and such concurrent long and short speculative positions do not extend beyond the Trading Day on which the transfer is reported to the Clearing House.</p>
<p>New Rule</p>	<p>7.28 INTER-CLEARING HOUSE TRANSFERS OF POSITIONS</p> <p>7.28.1 Subject to the approval of the Clearing House, existing positions may be transferred between the books of a Clearing Member and the clearing member of any other Relevant Market at the request of the Customer, if:</p> <p>7.28.1.1 such positions relate to Contracts accepted for clearing by the Clearing House and such other Relevant Market (or its clearing house);</p> <p>7.28.1.2 the transfer has been approved by the other Relevant Market; and</p> <p>7.28.1.3 the other Relevant Market is not a Participating Market which is party to the Mutual Offset System.</p> <p>7.28.3 All transfers made pursuant to this Rule shall be reported to the Clearing House in a form acceptable to the Clearing House. The Clearing Member involved shall maintain a full and complete record of all such transfers together with all pertinent memoranda.</p>

Chapter 9 – Definitions and Interpretations

Current Rule	New Rule
<p>“Alternative Delivery Procedure” means delivery of the underlying Commodity under different terms and conditions from the Delivery Rules.</p>	<p>“Alternative Delivery Procedure” means delivery of the underlying Commodity under different terms and conditions from the Delivery Rules <u>relating to the relevant Contract</u>.</p>
<p>“Buyer” shall:</p> <p>a. for the purpose of Rule 5.01.2 and Chapter 6, refer to the buying party who is the direct counterparty—responsible for taking delivery of the underlying Commodity under a Contract or delivery contract.</p> <p>b. for the purpose of Rule 7.02A, where it is not the Clearing Member itself, refer to a party for whom the Clearing Member maintains an account and who is a buyer in an OTC transaction and otherwise shall refer to the Clearing Member itself. Where the Buyer is the Clearing Member itself, references in Rule 7.02A to the Clearing Member “acting for a Buyer” shall be correspondingly read as if the words “acting for a Buyer” were superfluous.</p>	<p>“Buyer” shall:</p> <p>a. for the purpose of Rule 5.01.2 and Chapter 6, refer to the buying party who is the direct counterparty responsible for taking delivery of the underlying Commodity under a Contract or delivery contract; <u>through the Buying Member, unless such Buyer is itself the Buying Member</u>.</p> <p>No change.</p>
<p><u>New definition</u></p>	<p>“Collective Customer” shall have the meaning ascribed to it in Rule 2.20.3.1.</p>
<p><u>New definition</u></p>	<p>“Collective House Accounts” shall have the meaning ascribed to it in Rule 2.20.3.2.</p>
<p>“delivery contract” means the contract which arises directly between a Seller and a Buyer, through their respective Clearing Members, upon the re-novation process referred to in Rule 6.02A.7.</p>	<p>“delivery contract” means the contract which arises directly between <u>such parties as specified in the relevant Contract Specifications</u> a Seller and a Buyer, through their respective Clearing Members, upon the re-novation process referred to in Rule 6.02A.7.</p>
<p>“delivery default” shall have the meaning ascribed to it in the relevant Contract Specifications.</p>	<p>“delivery default” shall have the meaning ascribed to it in the relevant Contract Specifications <u>or otherwise refer to the failure to perform any material act in</u></p>

Current Rule	New Rule
	relation to the delivery of a Commodity in accordance with the Contract Specifications.
“ Delivery Obligations ” means all delivery obligations of a Seller or Buyer under a Contract or delivery contract.	“ Delivery Obligations ” means all delivery obligations of a Seller or Buyer or clearing member of any Relevant Market , under a Contract or delivery contract.
New definition	“ Facilitator Agent ” shall have the meaning ascribed to it in Rule 6.07A .
“ Force Majeure ” shall have the meaning ascribed to it in Rule 6.02A.10.1.	“ Force Majeure ” shall have the meaning ascribed to it in Rule 6.02A.10.1 C or Rule 6.02A.10.1D , whichever is applicable.
“ Performance Deposit ” means the sum of money, as prescribed in the relevant Contract Specifications, which Clearing Members post with the Clearing House, to secure the performance of delivery contracts.	“ Performance Deposit ” means the sum of money, as prescribed in the relevant Contract Specifications, which a depositing party Clearing Members posts with the Clearing House, to secure the performance of a delivery contracts.
“ Seller ” shall,	“ Seller ” shall,
a. for the purpose of Rule 5.01.2 and Chapter 6, refer to the selling party who is the direct counterparty responsible for making delivery of the underlying Commodity under a Contract or delivery contract.	a. for the purpose of Rule 5.01.2 and Chapter 6, refer to the selling party who is the direct counterparty responsible for making delivery of the underlying Commodity under a Contract or delivery contract through the Selling Member, unless such Seller is itself the Selling Member .
b. for the purpose of Rule 7.02A, where it is not the Clearing Member itself, refer to a party for whom the Clearing Member maintains an account and who is a seller in an OTC transaction and otherwise shall refer to the Clearing Member itself. Where the Seller is the Clearing Member itself, references in Rule 7.02A to the Clearing Member “acting for a Seller” shall be correspondingly read as if the words “acting for a Seller” were superfluous.	No change.

New Appendix 2

Subject to any conditions or limitations set forth in this Rules, the Clearing House shall clear the following Contracts:

1. Contracts listed for trading on the Singapore Commodity Exchange:
 - (a) RSS3 Rubber futures contract
 - (b) TSR20 Rubber futures contract

2. Designated Futures Contracts pursuant to the Mutual Offset System with the Chicago Mercantile Exchange:
 - (a) SGX Three (3) Month Eurodollar Futures Contract
 - (b) SGX Three (3) Month Euroyen Futures Contract
 - (c) SGX Nikkei Average Stock Index Futures Contract
 - (d) USD SGX Nikkei Average Stock Index Futures Contract

New Practice Note 6.07A

1 Introduction

- 1.1 Rule 6.07A states that the Clearing House may appoint any person as a Facilitator Agent to perform any function for the purpose of facilitating delivery by Clearing Members.
- 1.2 This Practice Note elaborates on the role of a Facilitator Agent, and sets out the Facilitator Agents appointed by the Clearing House, and the functions for which such Facilitator Agents are appointed.

2 Role of a Facilitator Agent

- 2.1 Where, upon maturity of a Contract settled by way of physical delivery of an underlying Commodity, a Clearing Member continues to hold open positions which have been cleared through the Clearing House, the Clearing House may facilitate delivery by such Clearing Member in accordance with the Contract Specifications.
- 2.2 The Clearing House may appoint a Facilitator Agent to carry out, on its behalf, any function to facilitate such delivery by a Clearing Member.
- 2.3 For the avoidance of doubt, where a Facilitator Agent is appointed, the rights and liabilities (including any exclusion or limitation of liability) as between the Clearing House and Clearing Members in relation to physical delivery provided under Chapter 6 of this Rules, shall continue to apply.

3 Facilitator Agent for Contracts traded on the Singapore Commodity Exchange Limited (“SICOM”) and settled by way of physical delivery

- 3.1 In respect of Contracts matched and executed on SICOM and cleared through the Clearing House, SICOM shall be appointed as the Clearing House’s Facilitator Agent.
- 3.2 SICOM shall, on behalf of the Clearing House, perform all functions required to facilitate delivery by Clearing Members in accordance with the relevant Delivery Rules except all matters in relation to Clearing Members’ monies.
- 3.3 The functions performed by SICOM shall include:
- (1) matching of Clearing Members with open positions after the Last Trading Day, in accordance with the Contract Specifications;
 - (2) acceptance of any documents, or instruments (other than monies) from any Clearing Member required pursuant to the relevant Delivery Rules for the purpose of effecting delivery;
 - (3) release of any documents or instruments (other than monies of a Clearing Member) to any party in accordance with the Contract Specifications; and
 - (4) receipt of notification of any claims in relation to the performance of Delivery Obligations from any Clearing Member.
- 3.4 Except for matters in relation to Clearing Members’ monies, Clearing Members effecting delivery through the Clearing House shall deal directly with SICOM in the performance of their Delivery Obligations, regardless of whether its counterparty is a Clearing Member, or a clearing member of SICOM.
- 3.5 Clearing Members shall deal directly with the Clearing House in respect of all matters relating to monies under the Contract Specifications.

Proposed Amendments to SGX-DC Rules Practice Note 7.11.1.2

Practice Note 7.11.1.2

DAILY SETTLEMENT PRICE METHODOLOGY

Current Provision	New Provision
<p>1. INTRODUCTION</p> <p>Rule 7.11.1.2 of the Clearing Rules states that the Daily Settlement Price for Contracts other than OTC Contracts shall be determined by the Clearing House in accordance with the relevant formula and procedures applicable to each Contract. In arriving at such formula, the Clearing House may, in consultation with the Exchange, take into account factors, including but not limited to:</p> <ul style="list-style-type: none">a) the last traded price;b) bid and offer spread at the close of market;c) price data derived from pricing models, as selected or established by the Clearing House from time to time. <p>This Practice Note sets out the formulas and methodologies used by the Clearing House to compute the Daily Settlement Price as contemplated in the above Rule.</p>	No change.
<p>2. METHODOLOGY FOR COMPUTATION OF DAILY SETTLEMENT PRICE</p> <p>2.1 <u>Most Commonly Adopted Methodology</u>. Save for exceptional situations, the Clearing House shall use any one of the following methodologies, in descending order of preference, to compute the Daily Settlement Price:</p> <ul style="list-style-type: none">a) a price determined by a pre-closing routine; or	No change.

Current Provision	New Provision
<p>b) the average of the highest and lowest prices in the closing range;</p> <p>c) a price determined by taking into account traded calendar spreads in the relevant Contract Months;</p> <p>d) a price determined by taking into account daily settlement prices of fungible contracts; or</p> <p>e) a price determined by theoretical pricing models selected by the Clearing House.</p> <p>Higher bid or lower offer prices may be used by the Exchange in the computation of the Daily Settlement Price under methodologies b, c and e.</p>	
<p>2.2 <u>Exceptional Situations.</u> In exceptional cases when none of the methodologies set forth in paragraph 2.1 above yields a Daily Settlement Price that is reflective of market conditions, the Clearing House may use any of the following alternative methodologies for the computation of the Daily Settlement Price:</p> <p>a) in regards to Futures Contracts, the Daily Settlement Price may be set at a price which when compared to the Daily Settlement Price of the next Contract Month reflects the same differential that existed between the two Contract Months on the previous day, unless there is a higher bid or lower offer in existence at the close. In such case, the higher bid or lower offer may be the Daily Settlement Price; or</p> <p>b) in regards to Futures Contracts or Options Contracts, such other price that the Clearing House determines to be reflective of prevailing market conditions.</p> <p>“Option Contracts” and “Futures Contracts” shall have the meaning ascribed to them in the Trading Rules.</p>	No change.

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	2.3 <u>Contracts Traded On The Singapore Commodities Exchange. In respect of Contracts traded on the Singapore Commodity Exchange (“SICOM”), the Clearing House shall use the Daily Settlement Price as derived by SICOM (or its clearing house).</u>