

Proposed Amendment to Futures Trading Rules

<p>Chapter 1 General Matters</p>
<p>1.6 Exclusion of Liability, Disclaimer of Warranties & Statutory Immunity</p>
<p>1.6.1 No Liability for Loss</p> <p>Unless otherwise expressly provided in this Rules or in any other agreements to which the Exchange is a party, <u>none of the Exchange, SGX RegCo, or their respective directors, officers, employees, representatives or agents</u> the Exchange shall not be liable to any Person for any loss (consequential or otherwise, including, without limitation, loss of profit), damage, injury, or delay, whether direct or indirect, arising from:</p> <p>(a) any action taken by the Exchange in connection with the discharge of <u>the Exchange's</u> its regulatory responsibilities including the suspension, interruption or closure of the Markets; or</p> <p>(b) any failure or malfunction of Exchange Systems.</p> <p>"Exchange Systems" refers to any pre-trade, trade or post-trade systems, including the Trading System, operated by the Exchange in connection with the Markets.</p>
<p>1.6.1A Indemnity to the Exchange</p> <p>(1) Each Trading Member indemnifies <u>each of</u> the Exchange, <u>SGX RegCo, and their respective</u> and its directors, officers, employees, representatives and agents ("Indemnified Persons") against any loss or liability reasonably incurred or suffered by <u>an</u> the Indemnified Persons where such loss or liability arose out of or in connection with:— (a) any breach by the Trading Member of its obligations under the Rules; or (b) any wilful, unlawful, reckless or negligent act or omission by the Trading Member.</p> <p>2) Without prejudice to the generality of Rule 1.6.1A(1), in the event that any legal, arbitration or other proceedings are brought to impose any liability on <u>all or any of</u> the Indemnified Persons for an alleged failure on the part of any Indemnified Person to prevent or to require action by a Trading Member or any of its directors, officers, employees, representatives or agents, the Trading Member shall reimburse the Exchange <u>the relevant Indemnified Person</u> for:—</p> <p>(a) all expenses and legal fees incurred by <u>or on behalf of the Indemnified Person</u> the Exchange in connection with such proceedings;</p> <p>(b) any payment made by <u>or on behalf of the Indemnified Person</u> the Exchange with the approval of the Trading Member in connection with any settlement of such proceedings; and</p> <p>(c) any payment made by <u>or on behalf of the Indemnified Person</u> the Exchange as a result of any order, award or judgment made in such proceedings.</p> <p>The Trading Member shall render such co-operation as the <u>Exchange</u> Indemnified Person reasonably requires in respect of such proceedings including without limitation the production of any document or</p>

records.

(3) Without prejudice to Rule 1.6.1A(2), the Trading Member shall pay to an Indemnified Person, if the Indemnified Person so requires, the costs incurred by or on behalf of the Indemnified Person of producing or obtaining, pursuant to a court order or other legal process, records relating to the business or affairs of a Trading Member or any of its directors, officers, employees, representatives or agents, regardless of the party requiring such production or obtainment~~the cost to the Exchange of producing, pursuant to a court order or other legal process, records relating to the business or affairs of a Trading Member may, at the absolute discretion of the Exchange, be required to be paid to the Exchange by such Trading Member, whether such production is required at the instance of such Trading Member or at the instance of any other party.~~

1.6.2 Statutory Immunity

As provided under the Act, the Exchange or any Person or entity acting on its behalf including any director or any Committee Member shall be immune from any criminal or civil liability for anything done (including any statement made) or omitted to be done with reasonable care and in good faith in the course of, or in connection with, the discharge or purported discharge of its obligations under the Act or this Rules.

1.7 Rules as Binding Contract and Deemed Consent of Members

1.7.1 Binding Contract

This Rules shall operate as a binding contract as contemplated under the Act, between:

- (a) the Exchange and each Member; and
- (b) between each Member and any other Membr.

1.7.2 Deemed Consent

Each Member shall be deemed to have agreed to observe and perform the provisions of this Rules in force for the time being, so far as these provisions are applicable to the Exchange or the Member, as the case may be.

1.7.3 No Third Party Rights

A Person who is not a Member has no rights under the Contracts (Rights of Third Parties) Act (Cap. 53B) to enforce any provisions under this Rules.

1.7.4 Delegation and assignment

The Exchange may delegate, assign or grant authority to exercise any of its rights, powers, authorities and discretions under these Rules, including any right to enforce these Rules, to such person or entity as it may determine in its sole discretion, without consent from any Trading Member.

Where these Rules provide that any power, authority or discretion is to be exercised by the Board, the Board may delegate, assign or grant authority to exercise such power, authority or discretion to any person or entity. The Board may authorise a delegate to sub-delegate.

1.7.5 SGX RegCo's authority

SGX RegCo shall have the authority to exercise any rights, powers, authorities and discretions under these Rules, including the right to enforce these Rules. In the exercise of any such rights, powers, authorities and discretions under these Rules, SGX RegCo shall be bound to the same extent as the Exchange in respect of any obligations arising from the exercise of such rights, powers, authorities and discretions.

Chapter 7 Adverse Events, Rule Violations and Disciplinary Action

7.3 Exchange's Powers upon Occurrence of Adverse Events

7.3.8 ~~Exchange's~~No Liability

Without prejudice to the generality of Chapter 1, the Exchange, SGX RegCo and their respective directors, officers, employees, representatives and agents shall not be liable to any Trading Member or any other Person in respect of any damage, loss, cost or expense of whatsoever nature (whether direct, indirect, special or consequential, including without limitation any loss of business, revenue, goodwill, bargain or profit), suffered or incurred by such Trading Member or other Person, arising out of or in connection with the exercise or non-exercise ~~by the Exchange~~ of ~~the~~its powers under Rule 7.3 or the determination ~~by the Exchange~~ of the satisfaction or non-satisfaction of any condition for the exercise of such powers.

7.5 Composition of Disciplinary Committee

7.5.1 Composition of Disciplinary Committee

The Disciplinary Committee comprises persons appointed by the SGX RegCo Board. No director, officer or employee of Singapore Exchange Limited or any of its Related Corporations may be appointed.

7.5.2 Chairman, and Deputy Chairman ~~and Secretary~~ of the Disciplinary Committee

The SGX RegCo Board shall appoint a chairman and deputy chairman from among the members of the Disciplinary Committee. In the absence of the chairman, the deputy chairman shall have all the powers of the chairman. ~~The SGX RegCo Board shall appoint a Secretary to assist the Disciplinary Committee. "Secretary" within Rules 7.5 and 7.7 refers to an employee of Singapore Exchange Limited, appointed by the Board to the Disciplinary Committee for the purpose of supporting the work of the Disciplinary Committee. For the avoidance of doubt, the Secretary shall not form part of the quorum of the Disciplinary Committee, shall not possess any voting power, and save for record and administrative purposes, shall not participate in the deliberations of the Disciplinary Committee.~~

7.5.3 Notification of Conflict of Interest by Disciplinary Committee Members

Members of the Disciplinary Committee shall immediately notify the chairman of any possible conflict

of interest in relation to a charge. The chairman shall decide whether the Disciplinary Committee member concerned should attend the hearing of that charge ~~and notify the Board of his decision~~. The chairman shall also ~~notify the Board and~~ abstain from hearing a charge in which he himself may have a conflict of interest.

7.9 Appeals Committee

7.9.1 Composition of Appeals Committee

The Appeals Committee comprises persons appointed by the SGX [RegCo](#) Board and approved by MAS provided that:

- (a) no director, officer or employee of Singapore Exchange Limited or any of its Related Corporations may be appointed;
- (b) a majority are not directors, officers or employees of any Member or any Member's Related Corporation; and
- (c) a majority are not substantial shareholders of Singapore Exchange Limited or its Related Corporations or directors, officers or employees of any substantial shareholder of Singapore Exchange Limited or its Related Corporations.

7.9.2 Chairman, [and](#) Deputy Chairman ~~and Secretary~~ of the Appeals Committee

The Appeals Committee shall elect a chairman and deputy chairman from among the members of the Appeals Committee. In the absence of the chairman, the deputy chairman shall have all the powers of the chairman. ~~The SGX Board shall appoint a Secretary to assist the Appeals Committee. "Secretary" within Rules 7.9 and 7.10 refers to an employee of Singapore Exchange Limited, appointed by the SGX Board to the Appeals Committee for the purpose of supporting the work of the Appeals Committee. For the avoidance of doubt, the Secretary shall not form part of the quorum of the Appeals Committee, shall not possess any voting power, and save for record and administrative purposes, shall not participate in the deliberations of the Appeals Committee.~~

7.9.3 Notification of Conflict of Interest by Appeals Committee Members

Members of the Appeals Committee shall immediately notify the chairman of any possible conflicts of interest in relation to an appeal. The chairman shall decide whether the Appeals Committee member concerned should attend the hearing of that appeal ~~and notify the SGX Board of his decision~~. The chairman shall also ~~notify the SGX Board and~~ abstain from hearing an appeal in which he himself may have a conflict of interest.

7.9.5 Powers of the Appeals Committee

The powers of the Appeals Committee include:

- (a) all the powers of the Disciplinary Committee;
- (b) increasing or reducing penalties, and overturning, varying or upholding any decision of the Disciplinary Committee;

(c) hearing appeals in accordance with this Rules; and
(d) dealing with such other matters as the SGX [RegCo](#) Board refers to it (either generally or in a particular case).

Chapter 8 Definitions and Interpretation

8.1 Definitions

[Secretary](#): Refers to the Secretary of the Disciplinary Committee or Secretary of the Appeals Committee ~~shall have the meaning ascribed to it in Rule 7.5.2 or Rule 7.9.2~~, as the context requires

[SGX RegCo](#): Refers to Singapore Exchange Regulation Pte. Ltd.;

[SGX RegCo Board](#): Refers to the board of directors of SGX RegCo;