

**INTRODUCTION OF MARGINABLE FUTURES CONTRACTS FOR TRADING ON SGX-ST –
AMENDMENTS TO SGX-ST RULES**

Current Rules		New Rules	
CHAPTER 1 – INTRODUCTION			
1.1	APPLICATION OF RULES	1.1	APPLICATION OF RULES
1.1.2	A person who is not a party to the Rules has no rights under the Contract (Rights of Third Parties) Act (Cap. 53B) to enforce the Rules, regardless of whether such person has been identified by name, as a member of a class or as answering a particular description.	1.1.2	A person who is not a party to the Rules has no rights under the Contracts (Rights of Third Parties) Act (Cap. 53B) to enforce the Rules, regardless of whether such person has been identified by name, as a member of a class or as answering a particular description.
1.3	ALTERATION OF RULES	1.3	ALTERATION OF RULES
1.3.1	The Rules may be amended by the Board in accordance with Section 17 of the Securities and Futures Act.	1.3.1	The Rules may be amended by the Board in accordance with Section 17 of the Securities and Futures Act.
CHAPTER 2 – ADMINISTRATION			
2.7	DISCLOSURE OF INFORMATION BY SGX-ST	2.7	DISCLOSURE OF INFORMATION BY SGX-ST
2.7.2	Disclosure of information by SGX-ST is not unauthorised use or disclosure if it:- (1) is approved by the Authority and is to any governmental agency or regulatory authority (in or out of Singapore) which requests that SGX-ST provide the information for the proper exercise of powers relating to:- (a) the governance of Trading Members; or (b) trading of securities or futures contracts (in or out of Singapore); (2) is required under any Singapore law or any order of any Singapore court or authority in Singapore; (3) is publicly available at the time of disclosure to or by SGX-ST; (4) is in relation to the enforcement of the Rules or adjudication of a matter; (5) is to SGX-ST's holding company or a wholly-owned subsidiary of the holding company; or (6) is additionally authorised by the Authority to be disclosed or furnished under Section 315(2)(a) of the Securities and Futures Act.	2.7.2	Disclosure of information by SGX-ST is not unauthorised use or disclosure if it:- (1) is approved by the Authority and is to any governmental agency or regulatory authority (in or out of Singapore) which requests that SGX-ST provide the information for the proper exercise of powers relating to:- (a) the governance of Trading Members; or (b) trading of securities or futures contracts (in or out of Singapore); (2) is required under any Singapore law or any order of any Singapore court or authority in Singapore; (3) is publicly available at the time of disclosure to or by SGX-ST; (4) is in relation to the enforcement of the Rules or adjudication of a matter; (5) is to SGX-ST's holding company or a wholly-owned subsidiary of the holding company; or (6) is additionally authorised by the Authority to be disclosed or furnished under Section 315(2)(a) of the Securities and Futures Act.

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CHAPTER 4 – TRADING MEMBER			
4.6	OBLIGATIONS OF A TRADING MEMBER	4.6	OBLIGATIONS OF A TRADING MEMBER
4.6.20	Trading Member Cease Carrying on Business	4.6.20	Trading Member Ceases <u>to</u> Carrying on Business
	<p>(1) Upon written request, SGX-ST may allow a Trading Member to cease carrying on business while retaining its membership for such period as SGX-ST specifies. Upon expiry of such period, the Trading Member must recommence business in Singapore.</p> <p>(2) During the period of cessation of business, the Trading Member must not hold itself out or engage in any act that may give the impression that it is an active Trading Member.</p> <p>(3) SGX-ST will waive continuing compliance of Rules 4.1.1(1), (4) and (6) during the period the Trading Member ceases to carry on business.</p>		<p>(1) Upon written request, SGX-ST may allow a Trading Member to cease carrying on business while retaining its membership for such period as SGX-ST specifies. Upon expiry of such period, the Trading Member must recommence business in Singapore.</p> <p>(2) During the period of cessation of business, the Trading Member must not hold itself out or engage in any act that may give the impression that it is an active Trading Member.</p> <p>(3) SGX-ST will waive continuing compliance of Rules 4.1.1(1), (4) and (6) during the period the Trading Member ceases to carry on business.</p>
4.10	OBLIGATIONS OF A FORMER TRADING MEMBER	4.10	OBLIGATIONS OF A FORMER TRADING MEMBER
	A former Trading Member remains liable to SGX-ST and its customers for any liabilities incurred under the Rules or Directives during the period of its membership. The former Trading Member also remains subject to disciplinary actions for any offence committed during the period of its membership.	4.10.1	A former Trading Member remains liable to SGX-ST and its customers for any liabilities incurred under the Rules or Directives during the period of its membership. The former Trading Member also remains subject to disciplinary actions for any offence committed during the period of its membership.
CHAPTER 5 – DESIGNATED MARKET MAKER			
5.10	DISCIPLINARY PROCEEDINGS	5.10	DISCIPLINARY PROCEEDINGS
5.10.2	A Designated Market-Maker and a registered market-making representative are bound by the Supervisory Rules and must comply with any disciplinary decision as if it were a Trading Member and he or she were a Trading Representative respectively.	5.10.2	A Designated Market-Maker and a registered market-making representative are bound by the Supervisory Rules in Chapter 14 of these Rules and must comply with any disciplinary decision as if it were a Trading Member and he or she were a Trading Representative respectively.
5.12	OBLIGATIONS OF A FORMER DESIGNATED MARKET-MAKER	5.12	OBLIGATIONS OF A FORMER DESIGNATED MARKET-MAKER
	A former Designated Market-Maker remains liable to SGX-ST and its customers (if applicable) for any liabilities incurred under the Rules or Directives during the period of its registration in respect of a Specified Security. The former Designated Market-Maker also	5.12.1	A former Designated Market-Maker remains liable to SGX-ST and its customers (if applicable) for any liabilities incurred under the Rules or Directives during the period of its registration in respect of a Specified Security. The former Designated Market-Maker also

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CHAPTER 7 – TRADING REPRESENTATIVE			
7.6	REMISIER'S DEPOSIT	7.6	REMISIER'S DEPOSIT
7.6.1	A Remisier must give a deposit of at least \$30,000 to the Trading Member. It must be in the form of cash, marketable securities or a guarantee from a bank or financial institution operating in Singapore.	7.6.1	A Remisier must give a deposit of at least \$30,000 to the Trading Member. It must be in the form of cash, m Marketable s Securities or a guarantee from a bank or financial institution operating in Singapore.
CHAPTER 8 – TRADING			
8.7	DIRECT BUSINESS	8.7	DIRECT BUSINESS
8.7.1	A Trading Member may only execute Direct Business that is:- (1) at least:- (a) 50,000 units of securities or Futures Contract; or (b) \$150,000; (2) a book-out trade from an error account to remedy an error; or (3) to complete a customer's order that was partially filled in the market, provided the original order met the minimum size in Rule 8.7.1(1) above.	8.7.1	A Trading Member may only execute Direct Business that is:- (1) at least:- (a) 50,000 units of securities or Futures Contract, <u>or in the case of Marginable Futures Contracts, 50,000 units of the underlying</u> ; or (b) \$150,000 <u>in terms of contract value</u> ; (2) a book-out trade from an error account to remedy an error; or (3) to complete a customer's order that was partially filled in the market, provided the original order met the minimum size in Rule 8.7.1(1) above.
CHAPTER 9 – SETTLEMENT			
9.2	RELATIONSHIP BETWEEN TRADING MEMBER AND CUSTOMER	9.2	RELATIONSHIP BETWEEN TRADING MEMBER AND CUSTOMER
9.2.1	A selling customer must look only to the Trading Member, who executes the trade, for payment of sale proceeds.	9.2.1	A selling customer must look only to the Trading Member, who executes the trade, for <u>in relation to all obligations in connection with that trade, including</u> payment of sale proceeds.
9.2.2	A buying customer must look only to the Trading Member, who executes the trade, for delivery of securities or in the case of a deliverable Futures Contract, the relevant underlying. A buying customer must pay the Trading Member who executes the trade.	9.2.2	A buying customer must look only to the Trading Member, who executes the trade, for <u>in relation to all obligations in connection with that trade, including</u> delivery of securities or in the case of a deliverable Futures Contract, the relevant underlying. A buying

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9.4.1	The normal timetable for settlement is as follows:-																																																		
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	Ready Market for other securities	12.30 pm on T+3	-	T+4 or against delivery, whichever is later	3 pm on T+4	-	T+4	-	T+5	T+4																																																								
CHAPTER 10 – FOREIGN MARKET LINKAGES																																																																		
10.1	DEFINITION OF ORDER				10.1	DEFINITIONS OF ORDER																																																												
10.1.1	In this Chapter, “Order” means:- (1) in respect of a Selected Foreign Security, an order placed via the Exchange Link by SGX-SPV with a Foreign Portal Dealer to buy or sell that Selected Foreign Security; and (2) in respect of a Selected SGX Security, an order placed via the Exchange Link by a Foreign Portal Dealer with SGX-SPV to buy or sell that Selected SGX Security.				10.1.1	In this Chapter, “Order” means:- (1) in respect of a Selected Foreign Security, an order placed via the Exchange Link by SGX-SPV with a Foreign Portal Dealer to buy or sell that Selected Foreign Security; and (2) in respect of a Selected SGX Security, an order placed via the Exchange Link by a Foreign Portal Dealer with SGX-SPV to buy or sell that Selected SGX Security.																																																												
10.4.7	(1) The following Rules do not apply to SGX-SPV:- <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Rule</th> <th style="text-align: left;">Heading</th> </tr> </thead> <tbody> <tr> <td>4.1.1</td> <td>Admission Criteria (as a Trading Member)</td> </tr> <tr> <td>4.6.1(2)</td> <td>Compliance (with admission criteria)</td> </tr> <tr> <td>4.6.5</td> <td>Responsibility to SGX-ST</td> </tr> <tr> <td>4.6.11</td> <td>Approved Executive Director</td> </tr> <tr> <td>4.6.12</td> <td>Directors</td> </tr> <tr> <td>4.6.14</td> <td>Memorandum and Articles of Association</td> </tr> <tr> <td>4.6.17</td> <td>Business Name</td> </tr> <tr> <td>4.6.18</td> <td>Issue of Shares</td> </tr> <tr> <td>4.6.19</td> <td>Voluntary Liquidation</td> </tr> <tr> <td>6.1-6.5</td> <td>Approved Executive Director</td> </tr> <tr> <td>9.5</td> <td>Trades under Physical Delivery</td> </tr> <tr> <td>11.1-11.14</td> <td>Capital and Financial Requirements</td> </tr> <tr> <td>12.3</td> <td>Customer Accounts</td> </tr> </tbody> </table>				Rule	Heading	4.1.1	Admission Criteria (as a Trading Member)	4.6.1(2)	Compliance (with admission criteria)	4.6.5	Responsibility to SGX-ST	4.6.11	Approved Executive Director	4.6.12	Directors	4.6.14	Memorandum and Articles of Association	4.6.17	Business Name	4.6.18	Issue of Shares	4.6.19	Voluntary Liquidation	6.1-6.5	Approved Executive Director	9.5	Trades under Physical Delivery	11.1-11.14	Capital and Financial Requirements	12.3	Customer Accounts		(1) The following Rules do not apply to SGX-SPV:- <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Rule</th> <th style="text-align: left;">Heading</th> </tr> </thead> <tbody> <tr> <td>4.1.1</td> <td>Admission Criteria (as a Trading Member)</td> </tr> <tr> <td>4.6.1(2)</td> <td>Compliance (with admission criteria)</td> </tr> <tr> <td>4.6.5</td> <td>Responsibility to SGX-ST</td> </tr> <tr> <td>4.6.11</td> <td>Approved Executive Director</td> </tr> <tr> <td>4.6.12</td> <td>Directors</td> </tr> <tr> <td>4.6.14</td> <td>Memorandum and Articles of Association</td> </tr> <tr> <td>4.6.17</td> <td>Business Name</td> </tr> <tr> <td>4.6.18</td> <td>Issue of Shares</td> </tr> <tr> <td>4.6.19</td> <td>Voluntary Liquidation</td> </tr> <tr> <td>6.1-6.5</td> <td>Approved Executive Director</td> </tr> <tr> <td>9.5</td> <td>Trades under Physical Delivery</td> </tr> <tr> <td>11.1-11.14</td> <td>Capital and Financial Requirements</td> </tr> <tr> <td>12.3</td> <td>Customer Accounts</td> </tr> </tbody> </table>					Rule	Heading	4.1.1	Admission Criteria (as a Trading Member)	4.6.1(2)	Compliance (with admission criteria)	4.6.5	Responsibility to SGX-ST	4.6.11	Approved Executive Director	4.6.12	Directors	4.6.14	Memorandum and Articles of Association	4.6.17	Business Name	4.6.18	Issue of Shares	4.6.19	Voluntary Liquidation	6.1-6.5	Approved Executive Director	9.5	Trades under Physical Delivery	11.1-11.14	Capital and Financial Requirements	12.3	Customer Accounts
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12.4	Trading Authority	12.4	Trading Authority
12.6	Contract Notes	12.6	Contract Notes
12.7	Statement of Account to Customers	12.7	Statement of Account to Customers
12.11	Customer's and Remisier's Money	12.11	Customer's and Remisier's Money
12.12	Customer's and Remisier's Assets	12.12	Customer's and Remisier's Assets
12.17.4	Trading by Employees and Agents	12.17.4	Trading by Employees and Agents
12.21	Use of Office Premises	12.21	Use of Office Premises
13.5	Arrangement with Customers	13.5	Arrangement with Customers
13.12	Identification & Password	13.12	Identification & Password
		Chapter 19 of these Rules	
CHAPTER 11 – CAPITAL AND FINANCIAL REQUIREMENTS			
11.1	DEFINITIONS	11.1	DEFINITIONS
	“SFR (Financial and Margin Requirements)” means the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations 2002 or any statutory modification, amendment or re-enactment thereof for the time being in force, or any regulations which may replace the SFR (Financial and Margin Requirements), and any reference to any provision of the SFR (Financial and Margin Requirements) is to that provision as so modified, amended or re-enacted (or as contained in any subsequent regulations which may replace the SFR (Financial and Margin Requirements)).		“SFR (Financial and Margin Requirements)” means the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations 2002 or any statutory modification, amendment or re-enactment thereof for the time being in force, or any regulations which may replace the SFR (Financial and Margin Requirements), and any reference to any provision of the SFR (Financial and Margin Requirements) is to that provision as so modified, amended or re-enacted (or as contained in any subsequent regulations which may replace the SFR (Financial and Margin Requirements)).
11.7	EXPOSURE TO SINGLE CUSTOMER	11.7	EXPOSURE TO SINGLE CUSTOMER
11.7.3	In this Rule, “exposure to a single customer” means:-	11.7.3	In this Rule, “exposure to a single customer” means:-
	(1) in the case of securities carried in a customer's account (other than a margin account):- (a) for purchase contracts that remain unpaid:- (i) where the securities purchased have not been delivered to the customer, the excess of the contracted price of the securities purchased by the single customer over the aggregate market value of the securities purchased and such other securities held by the Trading Member as		(1) in the case of securities carried in a customer's account (other than a margin financing account):- (a) for purchase contracts that remain unpaid:- (i) where the securities purchased have not been delivered to the customer, the excess of the contracted price of the securities purchased by the single customer over the aggregate market value of the securities purchased and such other securities collateral, as prescribed by SGX-ST, which is held

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	Current Rules		New Rules
	<p>collateral less any amount due and payable by the Trading Member to him; and</p> <p>(ii) where the securities purchased have been delivered to the customer, the excess of the contracted price of the securities purchased over the aggregate market value of all his securities held by the Trading Member as collateral less any amount due and payable by the Trading Member to him;</p> <p>(b) for sale contracts for which delivery has not been made, the excess of the amount of the market value of the securities sold by the single customer over the aggregate of the market value of any of his securities held by the Trading Member as collateral and the contracted sale price less any amount due and payable by the Trading Member to him;</p>		<p>by the Trading Member as collateral less any amount due and payable by the Trading Member to him; and</p> <p>(ii) where the securities purchased have been delivered to the customer, the excess of the contracted price of the securities purchased over the aggregate market value of all his securities collateral, as <u>prescribed by SGX-ST, which is</u> held by the Trading Member as collateral less any amount due and payable by the Trading Member to him;</p> <p>(b) for sale contracts for which delivery has not been made, the excess of the amount of the market value of the securities sold by the single customer over the aggregate of the market value of any of his securities collateral, as <u>prescribed by SGX-ST, which is</u> held by the Trading Member as collateral and the contracted sale price less any amount due and payable by the Trading Member to him;</p>
	(2) the amount of margin deficiency in the single customer's margin account as determined in accordance with the margin requirements specified by SGX-ST;		(2) the amount of margin deficiency in the single customer's margin <u>financing</u> account as determined in accordance with the margin financing requirements specified by SGX-ST;
	(9) the amount of margin deficiency in the single customer's futures account as determined in accordance with the margin requirements specified by SGX DC.		(9) the amount of margin deficiency <u>in relation to margins required in any account of</u> the single customer's futures account as determined in accordance with the margin requirements specified by SGX-DC <u>prescribed by the relevant exchange, clearing house or such other relevant financial institution.</u>
11.7.4	For the purposes of Rule 11.7.2, a security is deemed to be carried in a customer's account (other than a margin account) on the contract date specified in the contract note in respect of the transaction in that security or on the exercise date specified in the exercise notice in respect of an option in that security which has been exercised.	11.7.4	For the purposes of Rule 11.7.2 3 , a security <u>or futures contract</u> is deemed to be carried in a customer's account (other than a margin financing account) on the contract date specified in the contract note in respect of the transaction in that security <u>or futures contract</u> or on the exercise date specified in the exercise notice in respect of an option in that security which has been exercised.
11.8	EXPOSURE TO SINGLE SECURITY	11.8	EXPOSURE TO SINGLE SECURITY
11.8.4	For the purpose of Rule 11.8.1, "exposure to a single security"	11.8.4	For the purpose of Rule 11.8.1, "exposure to a single security"

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	Current Rules		New Rules
	means:-		means:-
	(7) in relation to the single security bought or carried, or deposited as collateral in the margin accounts, the margin exposure of a Trading Member to the single security as determined in accordance with the margin requirements prescribed by SGX-ST;		(7) in relation to the single security bought or carried, or deposited as collateral in the margin financing accounts, the margin exposure of a Trading Member to the single security as determined in accordance with the margin financing requirements prescribed by SGX-ST;
11.9	MARGIN RULES	11.9	MARGIN FINANCING RULES
11.9.1	Subject to the margin account requirements of this Rule, a Trading Member who is licensed to conduct securities margin financing may extend credit facilities to approved customers for securities transactions.	11.9.1	Subject to the margin financing account requirements of this Rule, a Trading Member who is licensed to conduct securities margin financing may extend credit facilities to approved customers for securities transactions.
11.9.2	Margin account arrangements shall be evidenced in the form of a written agreement executed between the Trading Member and the customer.	11.9.2	Margin financing account arrangements shall be evidenced in the form of a written agreement executed between the Trading Member and the customer.
11.9.3	A customer who operates a margin account with a Trading Member shall authorise the Trading Member to mortgage, pledge or hypothecate the customer's securities or property for a sum not exceeding the debit balance in the margin account and without obligation to retain in its possession or control securities of like character. The Trading Member shall also be given the discretion to sell or dispose of any or all the securities in any manner in order to meet with the prescribed margin requirements.	11.9.3	A customer who operates a margin financing account with a Trading Member shall authorise the Trading Member to mortgage, pledge or hypothecate the customer's securities or property for a sum not exceeding the debit balance in the margin financing account and without obligation to retain in its possession or control securities of like character. The Trading Member shall also be given the discretion to sell or dispose of any or all the securities in any manner in order to meet with the prescribed margin financing requirements.
11.9.4	A Trading Member shall not cause or permit any new transaction made in a customer's margin account unless the resulting equity in the account is not less than 140% of the debit balance, or the Trading Member has required the customer to deposit margin in the margin account within 2 Market Days from the date of securities transaction to bring the equity to not less than 140% of the debit balance.	11.9.4	A Trading Member shall not cause or permit any new transaction made in a customer's margin financing account unless the resulting equity in the account is not less than 140% of the debit balance, or the Trading Member has required the customer to deposit margin in the margin financing account within 2 Market Days from the date of securities transaction to bring the equity to not less than 140% of the debit balance.
11.9.6	(1) A Trading Member shall not cause or permit the equity in a customer's margin account to fall to or below 110% of the debit balance in the customer's margin account, unless the Trading Member has immediately required the customer to provide additional margin in the margin account within 2	11.9.6	(1) A Trading Member shall not cause or permit the equity in a customer's margin financing account to fall to or below 110% of the debit balance in the customer's margin financing account, unless the Trading Member has immediately required the customer to provide additional margin in the margin

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	<p>Market Days from the date of notice to increase the equity in the customer's margin account to more than 110% of the debit balance in the customer's margin account.</p> <p>(2) Where the equity in a customer's margin account falls to or below 110% of the debit balance in his margin account, and that the customer has failed to provide additional margin to increase the equity in his margin account to more than 110% of the debit balance in his margin account within the prescribed time frame referred to in Rule 11.9.6(1), a Trading Member shall have discretion, including, where appropriate, liquidating the margin account including the acceptable collateral deposited to bring the equity to more than 110% of the debit balance without notice to the customer.</p>		<p>financing account within 2 Market Days from the date of notice to increase the equity in the customer's margin financing account to more than 110% of the debit balance in the customer's margin financing account.</p> <p>(2) Where the equity in a customer's margin financing account falls to or below 110% of the debit balance in his margin financing account, and that the customer has failed to provide additional margin to increase the equity in his margin financing account to more than 110% of the debit balance in his margin financing account within the prescribed time frame referred to in Rule 11.9.6(1), a Trading Member shall have discretion, including, where appropriate, liquidating the margin financing account including the acceptable collateral deposited to bring the equity to more than 110% of the debit balance without notice to the customer.</p>
11.9.8	A Trading Member shall cause daily review to be made of all margin accounts to ensure that credit is not over-extended beyond the approved facility and that the margin requirements prescribed above are met at all times. For the purpose of computing margin requirements in a margin account, the last done price of the security on the preceding Market Day shall be used. All transactions done on the same day shall be combined on a transaction date basis and the total cost of purchase or the net proceeds of sale including any commission charged and other expenses shall be taken into account for computing margin requirements.	11.9.8	A Trading Member shall cause daily review to be made of all margin financing accounts to ensure that credit is not over-extended beyond the approved facility and that the margin financing requirements prescribed above are met at all times. For the purpose of computing margin financing requirements in a margin financing account, the last done price of the security on the preceding Market Day shall be used. All transactions done on the same day shall be combined on a transaction date basis and the total cost of purchase or the net proceeds of sale including any commission charged and other expenses shall be taken into account for computing margin financing requirements.
11.9.9	A Trading Member shall have the discretion to impose higher margin requirements on any of its customers.	11.9.9	A Trading Member shall have the discretion to impose higher margin financing requirements on any of its customers.
11.9.10	A customer may withdraw cash or securities from his account provided that the equity in his account does not fall to 140% of the debit balance or less.	11.9.10	A customer may withdraw cash or securities from his margin financing account provided that the equity in his account does not fall to 140% of the debit balance or less.
11.9.11	A Trading Member shall not cause or permit:- (1) the aggregate of the margin exposures in the margin accounts	11.9.11	A Trading Member shall not cause or permit:- (1) the aggregate of the margin exposures in the margin financing

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	<p>of all customers to exceed 300%, or such other percentage as SGX-ST may allow, of its free financial resources;</p> <p>(2) the aggregate of the margin exposures in the margin accounts of all customers in respect of securities, other than securities quoted on SGX-ST, to exceed 100%, or such other percentage as SGX-ST may allow, of its free financial resources; and</p> <p>(3) the debit balance in each customer’s margin account to exceed 20%, or such other percentage as SGX-ST may allow, of its free financial resources.</p>		<p>accounts of all customers to exceed 300%, or such other percentage as SGX-ST may allow, of its free financial resources;</p> <p>(2) the aggregate of the margin exposures in the margin financing accounts of all customers in respect of securities, other than securities quoted on SGX-ST, to exceed 100%, or such other percentage as SGX-ST may allow, of its free financial resources; and</p> <p>(3) the debit balance in each customer’s margin financing account to exceed 20%, or such other percentage as SGX-ST may allow, of its free financial resources.</p>
11.9.13	All securities transactions in a margin account shall be on an immediate or a ready basis. The margin account shall not be used to subscribe for new issue of securities.	11.9.13	All securities transactions in a margin financing account shall be on an immediate or a ready basis. The margin financing account shall not be used to subscribe for new issue of securities, or to meet margin requirements in respect of Marginable Futures Contracts .
11.9.14	In computing the market value of securities bought and carried in a customer’s margin account and the market value of securities deposited as collateral by the margin customer, the Trading Member shall apply such applicable discounts as SGX-ST may prescribe from time to time.	11.9.14	In computing the market value of securities bought and carried in a customer’s margin financing account and the market value of securities deposited as collateral by the margin customer, the Trading Member shall apply such applicable discounts as SGX-ST may prescribe from time to time.
11.9.15	SGX-ST shall have the absolute discretion to vary any or all of the margin requirements stipulated in Rule 11.9, and impose such other requirements for margin financing transactions from time to time as it deems fit and appropriate.	11.9.15	SGX-ST shall have the absolute discretion to vary any or all of the margin financing requirements stipulated in Rule 11.9, and impose such other requirements for margin financing transactions from time to time as it deems fit and appropriate.
11.14	REGISTER OF CONNECTED PERSONS	11.14	REGISTER OF CONNECTED PERSONS
	Each Trading Member shall keep a register of its directors and their connected persons. For the purpose of this Rule, a “connected person” has the meaning ascribed to it in Section 2 of the SFA.	11.14.1	Each Trading Member shall keep a register of its directors and their connected persons. For the purpose of this Rule, a “connected person” has the meaning ascribed to it in Section 2 of the SFA.
CHAPTER 12 – OPERATIONAL REQUIREMENTS			
12.6	CONTRACT NOTES	12.6	CONTRACT NOTES
12.6.3	A contract note must contain the information specified in Regulation 42(1) of the Securities and Futures (Licensing and	12.6.3	A contract note must contain the information specified in Regulation 42(1) of Securities and Futures (Licensing and Conduct of Business)

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	Conduct of Business) Regulations 2002.		Regulations 2002 .
12.7	STATEMENT OF ACCOUNT TO CUSTOMERS	12.7	STATEMENT OF ACCOUNT TO CUSTOMERS
12.7.2	A statement of account must contain the information specified in Regulation 40(2) of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 and any other information that SGX-ST prescribes.	12.7.2	A statement of account must contain the information specified in Regulation 40(2) of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 and any other information that SGX-ST prescribes.
12.11	CUSTOMER'S AND REMISIER'S MONEY	12.11	CUSTOMER'S AND REMISIER'S MONEY
12.11.1	A Trading Member must comply with Part III, Divisions 2 and 4 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 on customer's money. For the purpose of this Rule, "customer" includes a Remisier, unless otherwise specified.	12.11.1	A Trading Member must comply with Part III, Divisions 2 and 4 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 on customer's money. For the purpose of this Rule, "customer" includes a Remisier, unless otherwise specified.
12.11.2	Regulation 16(1)(b) of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 does not apply to a Remisier. A Trading Member must deposit all money received on account of a Remisier in a trust account.	12.11.2	Regulation 16(1)(b) of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 does not apply to a Remisier. A Trading Member must deposit all money received on account of a Remisier in a trust account.
12.11.3	A Trading Member must designate the accounts maintained with a financial institution specified in Regulation 17 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 for a customer or a Remisier as a trust account, or customer or Remisier account, as the case may be.	12.11.3	A Trading Member must designate the accounts maintained with a financial institution specified in Regulation 17 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 for a customer or a Remisier as a trust account, or customer or Remisier account, as the case may be.
12.11.4	A Trading Member may deposit money received on account of customers (including Remisiers) in the same trust account for customers (including Remisiers).	12.11.4	A Trading Member must deposit money received on account of customers (including Remisiers) in a separate the same trust account for customers from Remisiers (including Remisiers).
12.11.5	A Trading Member must not commingle money received on account of its customers or its Remisiers with its own funds. However, a Trading Member may deposit its own funds into a trust account under the circumstances specified in Regulation 23(1) of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002.	12.11.5	A Trading Member must not commingle money received on account of its customers or its Remisiers with its own funds. However, a Trading Member may deposit its own funds into a trust account under the circumstances specified in Regulation 23(1) of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 .
12.12	CUSTOMER'S AND REMISIER'S ASSETS	12.12	CUSTOMER'S AND REMISIER'S ASSETS
12.12.1	A Trading Member must comply with Part III, Divisions 3 and 4 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 on customer's assets. For the purpose of this	12.12.1	A Trading Member must comply with Part III, Divisions 3 and 4 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 on customer's assets. For the purpose of this Rule,

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	Rule, “customer” includes a Remisier, unless otherwise specified.		“customer” includes a Remisier, unless otherwise specified.
12.12.2	Regulations 30, 33 and 34 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 do not apply to a Remisier.	12.12.2	Regulations 30, 33 and 34 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 do not apply to a Remisier.
12.12.3	A Trading Member must designate the accounts maintained with a financial institution specified in Regulation 27 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 for a customer or a Remisier as a trust account, or customer or Remisier account, as the case may be.	12.12.3	A Trading Member must designate the accounts maintained with a financial institution specified in Regulation 27 of the Securities and Futures (Licensing and Conduct of Business) Regulations 2002 for a customer or a Remisier as a trust account, or customer or Remisier account, as the case may be.
12.12.4	A Trading Member may deposit assets of its customers (including Remisiers) in the same custody account for customers (including Remisiers).	12.12.4	A Trading Member must <u>may</u> deposit assets of its customers <u>in a separate (including Remisiers) in the same</u> custody account <u>from Remisiers for customers (including Remisiers)</u> .
12.16	SUSPENSE ACCOUNT	12.16	SUSPENSE ACCOUNT
12.16.1	<p>(1) If a customer’s order to purchase securities or Futures Contracts is unlikely to be completed during a Market Day, the purchases may be debited to:-</p> <p>(a) a customer’s suspense account; or</p> <p>(b) a general suspense account, until completion.</p> <p>(2) Once the order is completed, the purchases must be booked to the customer’s account.</p> <p>(3) Orders must not be warehoused in the suspense account for more than 2 Market Days, unless under exceptional circumstances. In such cases, the Trading Member must document the reasons for the extension of time.</p>	12.16.1	<p>(1) <u>Subject to Rule 19.7</u>, If <u>if</u> a customer’s order to purchase securities or <u>trade in</u> Futures Contracts is unlikely to be completed during a Market Day, the purchases <u>(or trades in the case of Marginable Futures Contracts)</u> may be debited to:-</p> <p>(a) a customer’s suspense account; or</p> <p>(b) a general suspense account, until completion.</p> <p>(2) Once the order is completed, the purchases <u>(or trades in the case of Marginable Futures Contracts)</u> must be booked to the customer’s account.</p> <p>(3) Orders must not be warehoused in the suspense account for more than 2 Market Days, unless under exceptional circumstances. In such cases, the Trading Member must document the reasons for the extension of time.</p>
CHAPTER 13 – TRADING PRACTICES AND CONDUCT			
13.8	MARKET MANIPULATION AND FALSE MARKET	13.8	MARKET MANIPULATION AND FALSE MARKET
13.8.4	A Trading Member or a Trading Representative must not directly or indirectly deal in securities, which involve no change of beneficial ownership as defined in Section 197(5) of the Securities	13.8.4	A Trading Member or a Trading Representative must not directly or indirectly deal in securities which involve no change of beneficial ownership as defined in Section 197(5) of the Securities and Futures

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	and Futures Act. It is a defence if the Trading Member or Trading Representative can show that it, or he or she had no reason to suspect, or no reasonable Trading Member or Trading Representative ought to have suspected or known, that the transaction was a wash sale.		<u>Act, or knowingly execute, or hold himself out as having executed, an order for the sale and purchase of Futures Contracts without having effected a bona fide purchase or sale of Futures Contracts as defined in Section 207(1) of the Securities and Futures Act.</u> It is a defence if the Trading Member or Trading Representative can show that it, or he or she had no reason to suspect, or no reasonable Trading Member or Trading Representative ought to have suspected or known, that the transaction was a wash sale.
13.8.5	A Trading Member or a Trading Representative must not deal in securities in a manner that will or may affect or maintain the price of the securities, with intent to induce other persons to subscribe for, buy or sell the securities. This Rule does not apply to stabilising action carried out in accordance with Regulation 3 of the Securities and Futures (Market Conduct) (Exemptions) Regulations 2002.	13.8.5	A Trading Member or a Trading Representative must not deal in securities or trade in Futures Contracts in a manner that will or may affect or maintain the price of the securities, Futures Contracts, or their underlying, with intent to induce other persons to subscribe for, buy or sell the securities or Futures Contracts. This Rule does not apply to stabilising action carried out in accordance with Regulation 3 of the Securities and Futures (Market Conduct) (Exemptions) Regulations <u>2002</u> .
CHAPTER 17 – SECURITIES BORROWING AND LENDING			
17.3	COLLATERAL	17.3	COLLATERAL
17.3.2	The collateral must be in the form as specified in Regulation 45(5) of the Securities and Futures (Licensing & Conduct of Business) Regulations 2002.	17.3.2	The collateral must be in the form as specified in Regulation 45(5) of the Securities and Futures (Licensing & Conduct of Business) Regulations <u>2002</u> .
CHAPTER 19 – MARGINABLE FUTURES CONTRACT			
		19.1	<u>APPLICABILITY</u>
		19.1.1	<u>Applicability</u>
			<u>This Chapter shall be applicable to the listing and trading of Marginable Futures Contracts on SGX-ST, the terms and conditions of such Marginable Futures Contracts, the handling of orders, the conduct of accounts, the settlement thereof, and other matters relating to the listing and trading of Marginable Futures Contracts on SGX-ST. Except as otherwise specified in this Chapter, the Rules, Directives and Practice Notes shall, where applicable, apply to the trading of Marginable Futures Contracts on SGX-ST.</u>

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Current Rules	New Rules
	<u>19.2</u>
	<u>LISTING OF MARGINABLE FUTURES CONTRACTS</u>
	(1) <u>The commercial and technical terms of Marginable Futures Contracts are stated in the Contract Specifications.</u> (2) <u>SGX-ST may, from time to time, list any Marginable Futures Contracts for trading.</u>
	<u>19.3</u>
	<u>CONTRACT SPECIFICATIONS</u>
	(1) <u>Marginable Futures Contracts shall be governed by the Rules and the Contract Specifications for Marginable Futures Contracts. In the event of a conflict between the Rules and the Contract Specifications, the Rules shall prevail.</u> (2) <u>SGX-ST may modify the Contract Specifications in response to market developments. In the event of such modification, SGX-ST shall provide its Members with no less than 2 weeks' prior notice before any modification to Contract Specifications takes effect.</u>
	<u>19.4</u>
	<u>ADJUSTMENTS DUE TO CORPORATE ACTIONS</u>
	(1) <u>In the event where the underlying security of a Marginable Futures Contract undergoes a corporate action or such other event which SGX-ST considers relevant, SGX-ST may prescribe the quantity of underlying security to be delivered, contract price, Last Trading Day, underlying securities to be delivered and such other terms covered under the relevant Marginable Futures Contract Specifications, where necessary.</u> (2) <u>As far as practicable, SGX-ST will give prior notice of such adjustments and the effective date.</u> (3) <u>Any adjustment determined in accordance with this Rule is final and binding on all parties.</u>
	<u>19.5</u>
	<u>SELECTION, REMOVAL AND RESTRICTIONS ON TRADING OF MARGINABLE FUTURES CONTRACTS</u>
	<u>19.5.1</u>
	<u>Nomination of securities</u>
	<u>SGX-ST may, from time to time, nominate an underlying for Marginable Futures Contracts. If SGX-ST decides, for any reason, that an underlying is no longer suitable for Marginable Futures</u>

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	Current Rules		New Rules
			<p>Contracts, SGX-ST shall:-</p> <p>(a) <u>not list any new Marginable Futures Contract covering that underlying;</u></p> <p>(b) <u>have the discretion to prohibit Trading Members from opening, or allowing their customers to open, any new position in Marginable Futures Contracts covering that underlying; and</u></p> <p>(c) <u>have the discretion to direct Trading Members to take action to offset, or require their customers to offset, any existing positions in Marginable Futures Contracts covering that underlying.</u></p>
		<u>19.5.2</u>	<u>Removal from Quotation and Restriction of Trading before Last Trading Day</u>
			<p><u>Subject to giving prior notification, SGX-ST may remove any Marginable Futures Contract from quotation before the Last Trading Day if all positions in such Marginable Futures Contract have been offset. If there are positions in such Marginable Futures Contract that are not offset, SGX-ST may require that such positions be cash settled immediately according to the terms as determined by SGX-ST, or restrict trading only to enable those positions to be offset or to the extent that SGX-ST deems such trading to be necessary or desirable for the maintenance of a fair, orderly and transparent market.</u></p>
		<u>19.6</u>	<u>TRADING HALT OR SUSPENSION OF TRADING</u>
		<u>19.6.1</u>	<u>Trading Halt or Suspension of Trading</u>
			<p>(1) SGX-ST may halt or suspend the trading of Marginable Futures Contracts if:-</p> <p>(a) trading in the underlying has been halted or suspended; or</p> <p>(b) SGX-ST deems it necessary or desirable for the maintenance of a fair, orderly and transparent market.</p> <p>(2) Unless otherwise decided by SGX-ST, the obligations of the buyers and sellers under the Marginable Futures Contracts which have been halted or suspended shall not be affected during the period of trading halt or suspension.</p>
		<u>19.6.2</u>	<u>Resumption of Trading</u>
			<u>The trading of Marginable Futures Contracts which have been halted</u>

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	Current Rules		New Rules
			<p><u>or suspended under Rule 19.6.1 may be resumed if SGX-ST determines that:</u></p> <p><u>(1) the conditions which led to the trading halt or suspension are no longer present, or</u></p> <p><u>(2) resumption of trading will promote the maintenance of a fair, orderly and transparent market.</u></p>
		<u>19.7</u>	<u>SUSPENSE ACCOUNTS AND ACCOUNTS WITH MORE THAN ONE BENEFICIAL OWNER</u>
		<u>19.7.1</u>	<p><u>Unless otherwise permitted by SGX-ST, a Trading Member must not:</u></p> <p><u>(a) use such suspense accounts as described in Rule 12.16 to trade in Marginable Futures Contracts; and</u></p> <p><u>(b) other than joint accounts, allow any account that has more than one beneficial owner to trade in Marginable Futures Contracts.</u></p> <p><i>Please refer to Practice Note 19.7.1</i></p>
		<u>19.8</u>	<u>MANAGEMENT OF POSITIONS</u>
		<u>19.8.1</u>	<p><u>A Trading Member must immediately notify SGX-ST of the details of any account carried on its books that exceeds the monitoring thresholds on positions that have not been offset, as prescribed by SGX-ST from time to time. Such monitoring thresholds may be imposed on any account or any single customer, and may include any one or a combination of the following:-</u></p> <p><u>(1) maximum number of lots of long positions that have not been offset, in gross or net, in any Marginable Futures Contract; and</u></p> <p><u>(2) maximum number of lots of short positions that have not been offset, in gross or net, in any Marginable Futures Contract.</u></p> <p><u>“single customer” in this Rule 19.8 shall have the meaning ascribed to it in Rule 11.7.5.</u></p>
		<u>19.8.2</u>	<p><u>SGX-ST shall, in the interest of maintaining a fair, orderly and transparent market, monitor the total number of positions that have not been offset, of all accounts opened with all Trading Members in any Marginable Futures Contract on either side (long or short), or</u></p>

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	Current Rules		New Rules
			both sides of the market, and where appropriate, take action under Rule 19.8.3 .
		19.8.3	<p>To reduce a Trading Member's risk exposure in trading and dealing in any Marginable Futures Contracts, or for the purpose of maintaining a fair, orderly and transparent market, SGX-ST shall have the right to impose on the Trading Member such measures as it deems necessary or desirable. The Trading Member must comply with all measures which are imposed by SGX-ST. These may include:-</p> <p>(1) additional margin requirements; and</p> <p>(2) offsetting existing positions.</p>
		19.8.4	<p>In determining the monitoring thresholds prescribed under Rules 19.8.1 and 19.8.2, and the risk management measures prescribed under Rule 19.8.3, SGX-ST may consider the following factors:-</p> <p>(1) matters relating to any position, including the number of issued shares, free float, liquidity or volatility of the underlying;</p> <p>(2) the financial position of the Trading Member;</p> <p>(3) the Trading Member's credit exposure to a single customer;</p> <p>and</p> <p>(4) any such other factors that SGX-ST deems necessary to maintain a fair, orderly and transparent market.</p>
		19.8.5	<p>In computing positions that have not been offset for the purpose of Rule 19.8, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of any person or persons acting in concert and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be accumulated and deemed to be the positions of each of such persons as if each owned or controlled all the aggregate positions individually.</p>
		19.9	INTERNAL CONTROLS
		19.9.1	<p>A Trading Member must establish and maintain adequate internal control systems to:-</p> <p>(1) set credit limits or position limits;</p> <p>(2) monitor positions to manage market and credit risks, and</p>

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	Current Rules		New Rules
			<p><u>comply with notification requirements on monitoring thresholds as prescribed by SGX-ST;</u></p> <p><u>(3) compute and collect margins, including conducting daily valuation of customers’ positions and collateral;</u></p> <p><u>(4) monitor margin calls;</u></p> <p><u>(5) manage customers’ accounts that are in margin deficit;</u></p> <p><u>(6) manage customers’ accounts that may fail to meet settlement obligations;</u></p> <p><u>(7) define and manage sources of liquidity to ensure that there are sufficient liquidity facilities to meet increased settlement obligations;</u></p> <p><u>(8) limit the impact of significant market movements through the use of tools such as cash flow projections, stress testing or credit limits; and</u></p> <p><u>(9) meet such other requirements as SGX-ST may prescribe from time to time.</u></p>
		<p><u>19.10</u></p>	<p><u>MARGIN REQUIREMENTS</u></p>
		<p><u>19.10.1</u></p>	<p><u>For the purpose of this Rule 19.10:-</u></p> <p><u>“Customer Asset Value” refers to moneys and the market value of assets in a customer’s account subject to such hair-cut as specified by SGX-ST.</u></p> <p><u>“Initial Margins” refers to the minimum amount required to be deposited by customers, as prescribed by CDP, with a Trading Member for positions in Marginable Futures Contracts. This minimum amount is distinct from and in addition to Variation Margins.</u></p> <p><u>“Maintenance Margins” refers to that component of Required Margins, as determined by CDP, which must be maintained in a customer’s account subsequent to the deposit of Initial Margins for that customer’s positions in Marginable Futures Contracts.</u></p>

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	Current Rules		New Rules
			<p><u>“Required Margins” refers to the sum of Maintenance Margins and Variation Margins.</u></p> <p><u>“Valuation Price” means the official price of Marginable Futures Contracts prescribed by SGX-ST for the purpose of determining Variation Margins.</u></p> <p><u>“Variation Margins” refers to that component of Required Margins comprising the mark-to-market gains and losses, in relation to the price at which the Marginable Futures Contract was bought or sold, arising from the daily valuation of positions, except that Variation Margins are not required if the Trading Member permits a customer to realise a gain or loss pursuant to executing a trade to offset an existing position.</u></p> <p><u>A net loss increases the Variation Margins and Required Margins amount, and a net profit decreases the Variation Margins and Required Margins amount.</u></p> <p><u>In calculating the mark-to-market losses or gains, a Trading Member must use the Valuation Price as determined by SGX-ST.</u></p>
		19.10.2	<p>(1) <u>A Trading Member must procure Initial Margins from its customers and must require the customers to meet the Required Margins for the purpose of meeting margin requirements of Marginable Futures Contracts within two Market Days from the trade date (T+2). Initial Margins and Required Margins must be met in the form of collateral as prescribed by SGX-ST from time to time. Such collateral must be in the form of cash, government securities, selected common stocks, bank certificates of deposit, gold bars, gold certificates, or such other instruments as SGX-ST permits. Valuation of such collateral must be in accordance with the hair-cut rates prescribed by SGX-ST.</u></p> <p>(2) <u>Currency and financial instruments denominated in currencies</u></p>

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	Current Rules		New Rules
			<p><u>which are subject to exchange controls such that they are illegal tender outside the currency's home country, or are restricted by any form of capital controls are not acceptable forms of collateral for the purpose of meeting margin requirements of Marginable Futures Contracts.</u></p>
		19.10.3	<p><u>If the Customer Asset Value falls below the Required Margins, the Trading Member must call for additional margins from the customer to bring the Customer Asset Value balance to no less than the sum of Initial Margins and Variation Margins within two Market Days from the date the Customer Asset Value falls below the Required Margins.</u></p>
		19.10.4	<p><u>Except for trades which reduce a customer's Required Margins, a Trading Member must not allow a customer to incur any new trade unless:-</u></p> <p><u>(1) the minimum Initial Margins for the new trade are deposited or the Trading Member has reason to believe that the minimum Initial Margins will be deposited within two Market Days from the trade date (T+2); and</u></p> <p><u>(2) the Customer Asset Value complies with the Required Margins, or the Trading Member has reason to believe that the additional margins to be deposited pursuant to Rule 19.10.3 will be deposited within two Market Days from the trade date (T+2).</u></p>
		19.10.5	<p><u>(1) Nothing in these Rules prohibits a Trading Member from imposing stricter Initial Margins and Maintenance Margins requirements, higher hair-cut rates, shorter payment periods for customers to deposit collateral, more frequent valuations of positions and collateral, and making calls for additional margins, as it sees fit.</u></p> <p><u>(2) Trading Members must not set margin requirements that are less stringent than those prescribed by SGX-ST.</u></p>
		19.10.6	<p><u>Where a customer fails to meet the margin requirements under Rules 19.10.2 and 19.10.3, the Trading Member may take actions as it deems appropriate, without giving notice to the customer, to reduce its exposures to the customer. Such actions may include liquidating</u></p>

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	Current Rules		New Rules
			<p><u>all or such part of the customer’s collateral deposited with the Trading Member, or taking action to offset all or such part of the customer’s positions. SGX-ST may also order such Trading Member to immediately to take such action to offset all or such part of the positions of the customer to rectify the deficiency.</u></p>
		<u>19.10.7</u>	<p><u>Mark to market gains of a customer may be utilised by the Trading Member to meet Initial Margins for the same customer.</u></p>
		<u>19.10.8</u>	<p><u>A Trading Member may allow a customer to withdraw Excess Margins provided such withdrawal will not cause the Customer Asset Value to be less than zero.</u></p> <p><u>“Excess Margins” refers to the amount of Customer Asset Value that is in excess of the sum of the Initial Margins and Variation Margins.</u></p>
		<u>19.10.9</u>	<p><u>If a Trading Member is unable to contact a customer to call for margins, a written notice sent to the customer at the most recent address furnished by the customer to the Trading Member shall be deemed sufficient.</u></p>
		<u>19.10.10</u>	<p><u>A Trading Member must comply with such requirements on the computation and monitoring of a customer’s margins as SGX-ST may prescribe.</u></p>
		<u>19.10.11</u>	<p><u>Under-Margined Accounts</u></p>
			<p><u>(1) A Trading Member must immediately notify SGX-ST when the Customer Asset Value in any account does not meet the sum of Initial Margins and Variation Margins by an amount which exceeds the Trading Member’s aggregate resources, except that no notification is required for the Trading Member’s own Stock Account.</u></p> <p><u>(2) SGX-ST may require the Trading Member to submit to SGX-ST information pertaining to any matter in such form and within such time as may be stipulated by SGX-ST.</u></p>
		<u>19.10.12</u>	<p><u>Customer to Comply with Margin Requirements</u></p>
			<p><u>For the avoidance of doubt, a Trading Member must require a customer to comply with the margin requirements prescribed under Rule 19.10, even if the customer has entered into an arrangement to</u></p>

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	Current Rules		New Rules
			meet his delivery obligations in connection with Marginable Futures Contracts.
		19.10.13	Prohibition on Margin Financing
			For the avoidance of doubt, a Trading Member must not under any circumstances enter into a financing arrangement with a customer in respect of that customer’s margins requirements which would allow the customer to trade without meeting the margin requirements prescribed under Rule 19.10.
		19.11	CAPITAL REQUIREMENT FOR MARGINABLE FUTURES CONTRACTS
			<p>(1) For the purpose of calculating counterparty risk requirements under the Third Schedule of Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations:</p> <p>(a) “margin deficiency” referred to in the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations is the amount required for the Customer Asset Value to meet the Variation Margin and Maintenance Margin, and in the case where Customer Asset Value is not sufficient to meet Variation Margin, the margin deficiency is the amount of Maintenance Margin; and</p> <p>(b) “negative equity” referred to in the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations is the amount required for the Customer Asset Value to meet the Variation Margin.</p> <p>(2) For the avoidance of doubt, a Trading Member shall compute Total Risk Requirement for Marginable Futures Contracts in the same manner as prescribed in the Third Schedule of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations.</p>
		19.12	PROHIBITED TRADING PRACTICES
		19.12.1	Overtrading

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	Current Rules		New Rules
			<p><u>The following provisions apply in relation to overtrading:-</u></p> <p>(1) <u>A Trading Member and its Trading Representatives must not execute any trade beyond any limits imposed by SGX-ST, CDP or the Authority. A Trading Member must ensure that its Trading Representatives and its customers do not trade beyond such limits. A Trading Member or its Trading Representative shall be guilty of overtrading if the respective Trading Member or its Trading Representative enters into any trade or trades beyond any limits imposed from time to time by SGX-ST, CDP or the Authority.</u></p> <p>(2) <u>If a Trading Member or Trading Representative is charged with violating this Rule 19.12.1, SGX-ST may at its discretion suspend that Trading Member or Trading Representative from trading until such time as the Disciplinary Committee or the Appeals Committee has completed the hearing in respect of such charge against such Trading Member or Trading Representative;</u></p> <p>(3) <u>Each trade entered into beyond any limits imposed by SGX-ST, CDP or the Authority shall be deemed to be a distinct and separate violation of this Rule and shall be punishable as such. If a Trading Member or Trading Representative is charged by SGX-ST for overtrading, it is not necessary for SGX-ST to show that the Trading Member or Trading Representative intended to overtrade. The act of overtrading is sufficient to constitute an offence under this Rule.</u></p>
		<u>19.13</u>	<u>SETTLEMENT OF MARGINABLE FUTURES CONTRACTS</u>
			<p>(1) <u>Chapter 9 shall apply to the delivery and settlement of Marginable Futures Contracts.</u></p> <p>(2) <u>A Trading Member may allow the use of cash collateral deposited by a buying customer for the settlement of the contract value.</u></p>
		<u>19.14</u>	<u>EMERGENCY POWERS</u>
		<u>19.14.1</u>	<u>Where SGX-ST deems it necessary or desirable for ensuring a fair,</u>

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Current Rules		New Rules	
			<p><u>orderly and transparent market or the integrity of the market, or for proper management of systemic risk in the market, SGX-ST may, in relation to one or more Trading Members:-</u></p> <p><u>(1) require such Trading Member to take action to offset any of the positions carried in any account(s) on its books;</u></p> <p><u>(2) modify any term in any Contract Specifications, which may include bringing forward the Last Trading Day, or modifying the settlement obligations as set out in Rule 9.4.1;</u></p> <p><u>(3) require such Trading Member to close any accounts;</u></p> <p><u>(4) impose such additional capital requirements on such Trading Member as SGX-ST deems necessary or desirable;</u></p> <p><u>(5) impose such limits and/or conditions to control the trading activities of such Trading Member as SGX-ST deems necessary or desirable; and</u></p> <p><u>(6) take such action or require the Trading Member to take such action as SGX-ST deems necessary or desirable.</u></p>
		<u>19.14.2</u>	<u>SGX-ST shall, as soon as practicable, notify the Authority of any action taken by SGX-ST pursuant to Rule 19.14.1.</u>
DEFINITIONS AND INTERPRETATION			
	“Collateral”	Cash, securities issued by the Government or its agencies, marginable securities, and any instruments prescribed by SGX-ST from time to time;	Deleted.
			<p><u>“Last Trading Day”</u></p> <p><u>Refers to the last day on which a Marginable Futures Contract may be traded prior to its expiration;</u></p>
			<p><u>“Marginable Futures Contract”</u></p> <p><u>Refers to a Futures Contract approved for listing on SGX-ST and which is subject to margin requirements;</u></p>
	“SGX-DT”	Singapore Exchange Derivatives Trading Limited;	Deleted.
PRACTICE NOTE 13.4.1: CUSTOMER ORDERS – PRECEDENCE			

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2	Current Rules	2	New Rules
2	APPLICATION OF RULE 13.4.1	2	APPLICATION OF RULE 13.4.1
2.3	<p>“On the same terms” includes:-</p> <p>(1) orders for the same counter, same buy/sell instruction and limit price;</p> <p>(2) a price limit order and a careful discretion order in the same counter and same buy/sell instruction; and</p> <p>(3) an order for the underlying security on the one hand and an order for single stock futures over that underlying security on the other.</p>	2.3	<p>“On the same terms” includes:-</p> <p>(1) orders for the same counter, same buy/sell instruction and limit price;</p> <p>(2) a price limit order and a careful discretion order in the same counter and same buy/sell instruction; and</p> <p>(3) an order for the underlying security on the one hand and an order for single stock futures or Marginable Futures Contracts over that underlying security on the other.</p>
PRACTICE NOTE 19.7.1: PERMISSIBLE USE OF SUSPENSE ACCOUNTS FOR MARGINABLE FUTURES CONTRACTS			
		1	INTRODUCTION
	New Practice Note	1.1	Rule 19.7.1 prohibits the use of all suspense accounts as described in Rule 12.16 for trading in Marginable Futures Contracts, unless otherwise permitted by SGX-ST.
		1.2	This Practice Note provides for the permissible use of customer’s suspense accounts and describes the terms under which such accounts may be used to trade in Marginable Futures Contracts.
		2	PERMISSIBLE USE OF CUSTOMER’S SUSPENSE ACCOUNTS
		2.1	Customer’s suspense accounts may be used for trading in Marginable Futures Contracts provided that such accounts are used solely for the purpose of warehousing orders on an individual customer basis. Each account must not have more than one beneficial owner.
		2.2	Where a Trading Member uses a customer’s suspense account for trading in Marginable Futures Contracts, that Trading Member must: (a) comply with Rule 12.16; and (b) ensure that the customer complies with the margin requirements prescribed by Rule 19.10 from the first Market Day on which the trades are debited to the customer’s suspense account.