

Amendments to Futures Trading Rules

Note: Amendments are marked in red.

Chapter 1 General Matters

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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 ~~2001(Cap. 53B)~~ to enforce any provisions under this Rules.

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Chapter 2 Access and Membership

2.1 Access and Trading

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2.1.2A Conditions Governing Sponsored Access

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For the purpose of this Rule 2.1.2A, "recognised regulatory authority" refers to a signatory to the International Organization of Securities Commissions' Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information, and "regulated activity" shall have the same meaning as in the ~~Securities and Futures~~ Act.

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2.4 Licensing and Credit Rating Requirements for Members, their Employees and Agents

2.4.1 Licensing and Registration Requirements for General Trading Members

A General Trading Member and its employees and agents are required to procure and maintain the requisite licence(s) and registration(s) with the Relevant Regulatory Authority to conduct regulated activities. The General Trading Member and its employees and agents shall independently satisfy such licensing and registration requirements as follows:

- (a) where the General Trading Member or its employees and agents engage in any Regulated Activity in Singapore, procure and maintain the requisite licence(s) and registration(s) with MAS. "**Regulated Activity**" refers to any activity that requires a CMS Licence, registration in the Public Register of Representatives, financial adviser's licence or such other licence or registration as required under the Act or Financial Advisers Act ~~2001(Cap 110)~~; and

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2.14 Change of Control of Members

2.14.1 Notification to Exchange

Unless otherwise provided in this Rules, a corporate Member shall notify, or, where practicable, pre-notify, the Exchange in writing of any Change of Control. "Change of Control" refers to:

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- (f) any alteration to the memorandum and articles of association or constitutive documents of the Member, notice of which should be given at least seven (7) days prior to alterations being effected, except in the case of a Bank Trading Member, notification shall be furnished to the Exchange within such time that the Bank Trading Member is required to notify MAS of such alteration under the Banking Act [1970](#), or any other regulation or directive issued thereunder;

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2.15 Resignation, Suspension and Termination of Members

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2.15.3 Termination of Membership

The Exchange shall have the power to terminate any Membership upon the occurrence of any of the following events:

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- (d) in the case of a Bank Trading Member, revocation of its licence under the Banking Act [1970](#) or removal of its exemption from holding a CMS licence under the Act.

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Chapter 3 Conduct of Members, Approved Traders and Representatives

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3.3.3 Risk Disclosure Statement

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(b) The written acknowledgement shall:

- (i) in the case of a General Trading Member that holds a licence to engage in a Regulated Activity, contain such requirements as contemplated under the Act;

- (ii) in the case of a General Trading Member that holds a licence specified in Rule 2.4.1(b), contain such requirements as may be prescribed by the Relevant Regulatory Authority. The General Trading Member shall immediately notify the Exchange on any changes to such requirements. Notwithstanding the foregoing, the Exchange shall have the discretion to prescribe additional requirements;
- (iii) in the case of a Bank Trading Member, contain such requirements as contemplated under the Act and include an acknowledgement by the Customer that the Investor Compensation Scheme contemplated under Part ~~XI~~11 of the Act does not apply in relation to the Bank Trading Member; and
- (iv) in each case, contain such information as may be prescribed by the Exchange from time to time.

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3.3.12 Customer Margins

Margins payable by a Clearing Member to the Clearing House shall be governed by the Clearing Rules. For margins applicable to Customers, margin calls and related matters, the following requirements apply:

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- (ba) a General Trading Member that holds a licence to engage in a Regulated Activity and a Bank Trading Member shall not accept the following forms of margins under this Rule:
 - (i) bank guarantees or letters of credit issued by a Customer, or a Customer's Related Corporation, which is a bank, for trades incurred in that Customer Account;
 - (ii) bank guarantees and letters of credit other than those issued by a bank that holds a valid licence and operates in Singapore under the Banking Act 1970(Cap. 19); and
 - (iii) currency and financial instruments denominated in currencies 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;

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3.3.23 Record Keeping

A Member shall ensure that data and records are:

- (a) made and kept in a way that is easily retrievable by authorised personnel;

- (b) kept for at least the minimum period required by the ~~Securities and Futures~~ Act, Securities and Futures Regulations, and, in the case of a General Trading Member that holds a licence specified in Rule 2.4.1(b), any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities; and
- (c) made available to the Exchange in a timely manner when requested.

3.3.23A Register of Securities

The following requirements apply in relation to the maintenance of a register of securities for Members, Registered Representatives and Approved Traders executing Agency Trades, except for General Trading Members that holds a licence specified in Rule 2.4.1(b) and their Registered Representatives and Approved Traders, that deal in Contracts that are classified as securities under the Act:

- (a) a Member, its Registered Representatives and Approved Traders executing Agency Trades shall maintain a register of securities in accordance with the ~~SFA~~Act;
- (b) If asked by the Exchange, a Member, its Registered Representatives and Approved Traders executing Agency Trades shall produce the register for inspection; and
- (c) a Member, its Registered Representatives and Approved Traders executing Agency Trades shall permit the Exchange to take extracts of the register.

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Chapter 5 Physical Delivery

5.1 Title Documents and Physical Delivery Procedures

5.1.6 Passing of Property and Risk

Property and risk in relation to an underlying Commodity under any deliverable Futures Contract shall pass in accordance with the provisions in the relevant Contract Specifications and, if not so dealt with, the provisions of the Sale of Goods Act ~~1979(Cap. 393)~~. For the avoidance of doubt, at no time shall property or risk in any underlying Commodity pass to the Exchange.

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Chapter 8 Definitions and Interpretation

8.1 Definitions

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Act	Refers to the Securities and Futures Act 2001(Cap.289) , <u>or any statutory modification, amendment or re-enactment thereof for the time being in force, or any statute that may replace it, and unless the context otherwise requires, includes any subsidiary legislation or regulations made and accompanying regulations issued</u> pursuant thereto;

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Bank	Refers to a bank licensed under the Banking Act 1970(Cap.19) ;
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M	
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MAS	The Monetary Authority of Singapore established under the Monetary Authority of Singapore Act 1970(Cap.186) ;
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P	
Public Register of Representatives	Refers to the records of appointed representatives, provisional representatives and temporary representatives kept by the Authority in accordance with the Securities and Futures Act;
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R	
...	...
Related Corporation	Shall have the meaning ascribed to it under the Companies Act 1967(Cap.50) ;
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