

**Annex F: [Undertaking of Foreign Branch]
Rule 3.3.32(g)**

Singapore Exchange Derivatives Trading Limited
2 Shenton Way, #19-00
SGX Centre 1,
Singapore 068804
Singapore

Attention: Member Supervision

[Date]

PRIVATE AND CONFIDENTIAL

Dear Sir,

Undertaking Provided by Member with respect to the operation of a Foreign Branch

We, the undersigned, furnish the following irrevocable undertakings (this “**Undertaking**”) and agree to abide by the conditions set forth herein below in connection with the setting up and operation of a Foreign Branch. We have read and understood the Futures Trading Rules and in particular the Rules applicable to Foreign Branches and provide this Undertaking in connection with the operation of a Foreign Branch. Capitalised terms used herein and not otherwise defined shall have the meanings ascribed to them in the Rules.

1. **Exchange Rulebook.** The obligations set forth in this Undertaking are part of the Rules.
2. **Authorised and Proper Purpose.** We understand and agree that approval to set up a Foreign Branch is granted at the sole discretion of the Exchange and subject to the Rules, applicable laws and the conditions set forth herein. Under no circumstances shall we access or attempt to operate a Foreign Branch for any illegal or improper purpose. The Foreign Branch shall only engage in activities that fall within the Regulated Activities under our CMS Licence.
3. **Customer Accounts.** All Customer Accounts operated by the Foreign Branch shall be approved by the Member or such other parties accepted by the Member, independent from trading and dealing activities, before they may be accepted by the Foreign Branch. There shall be proper and adequate documentation of all Customer Accounts opened, including a properly signed Customer agreement and adequate records of the Customer’s background and credit information.
4. **Trading Positions.** All trading/position/credit limits of accounts operated by the Foreign Branch shall be approved by the Member or such other parties accepted by the Member, independent from trading and dealing activities. The trading/position/credit limits should be monitored by staff independent of trading and dealing activities.
5. **Member Not to Grant Credit.** The Member shall not grant any credit facility or issue any letter of undertaking or guarantee in support of the operations of the Foreign Branch, unless it is required by the authorities in which the Foreign Branch is located.
6. **Risk Exposures and Risk Management.** The Member shall set out in writing the limits of the discretionary power of the managers and officers of the Foreign Branch to contain the risk exposure of the Foreign Branch and the Member. Such limits shall be clearly communicated

to the branch managers and officers. The Member shall designate sufficient and competent resources (which may include the use of the functional risk management and control organisation of such other party accepted by the Member) to adequately supervise and monitor the Foreign Branch's operations and activities. The Member, or such other parties accepted by the Member, independent from trading and dealing activities, shall monitor and manage the risks of the Foreign Branch's operations, in particular risks arising from Agency and House trades carried out by the Foreign Branch.

7. **Appointment of Key Persons.** The Member shall appoint a manager (“the Foreign Branch manager”), who shall be responsible for the entire operations of the Foreign Branch, subject to the prior approval of the Exchange. The Member shall demonstrate that the Foreign Branch manager or equivalent is suitably qualified and meets the standards set out in MAS's Guidelines on Fit and Proper Criteria. The Foreign Branch manager shall (a) ensure compliance with written policies on the operation of the Foreign Branch that are approved by the Member; and (b) be fully aware of and understand the risk associated with the trading and business activities of the Foreign Branch.
8. **Registration of Representatives.** The Member shall register any person acting in the capacity of an Approved Trader or Registered Representative in the Foreign Branch if so required by the Exchange.
9. **Reporting Obligations.** The Member shall ensure that there are systems in place within the Foreign Branch to immediately notify it upon the occurrence of any matter which may adversely affect the financial position of the Foreign Branch or any matter which may constitute a breach of the laws of the jurisdiction in which the Foreign Branch is located. The Member is required to:
 - (a) immediately inform and provide the Exchange with a copy of such directives issued by the authorities of the jurisdiction in which the Foreign Branch is located in relation to minimum financial and operational requirements imposed on the Foreign Branch, if any;
 - (b) immediately inform the Exchange of any report of findings issued or disciplinary actions taken against the Foreign Branch by the authorities of the jurisdiction in which the Foreign Branch is located;
 - (c) immediately inform the Exchange of any matter which may constitute a breach by the Foreign Branch of any Rules or requirements prescribed by the jurisdiction in which the Foreign Branch is located; and
 - (d) immediately notify the Exchange of any matter which may materially affect the financial positions of the Foreign Branch.
10. **Proper Books and Records.** The Member shall maintain proper books and records that will sufficiently explain the transactions in the Foreign Branch. All transactions carried out by the Foreign Branch, including off-balance sheet items, shall be properly reflected in the books of the Member.

11. **Receipt of Customers' Funds.** In order to safeguard funds deposited by Customers, the Foreign Branch shall treat and deal with all funds received on account of its Customers in accordance with the applicable regulations of the jurisdiction in which the Foreign Branch is located.
12. **External Audit of Branches' Books and Records.** The Member shall appoint external auditors to certify on an annual basis that:
 - (a) the requirements as set forth in this Undertaking and the applicable Rules relating to Foreign Branch have been complied with;
 - (b) Customer funds have been properly safeguarded in compliance with the requirements contemplated herein; and
 - (c) the Foreign Branch is operated in accordance with the requirements laid down by the Exchange's terms and conditions and the competent authorities of the jurisdiction in which the Foreign Branch is located.

A copy of the certification/auditors' report shall be forwarded to the Exchange within one (1) week of the Member being provided the same. The external auditors auditing the operations of the Foreign Branch and the books and records in relation to the Foreign Branch's operations shall preferably be confined to accounting firms that are well recognised internationally. The Exchange's prior written approval shall be obtained before the appointment of new auditors.

13. **Internal Audit.** The Member shall conduct an internal audit at least once every twenty-four (24) months on the Foreign Branch. The Member shall submit a copy of the internal audit report to the Exchange within one (1) week of the Member being provided with the same.
14. **Inspection by Exchange.** The Exchange may inspect any Foreign Branch of the Member during normal business hours.

Director's Signature

Name/Date

Director's Signature

Name/Date

REGULATORY NOTICES

Regulatory Notice

3.3.1 Customer Account and Know-Your-Customer Requirements

Issue Date	Cross Reference	Enquiries
22 Sept 2006	Rule 3.3.1	Please contact Member Supervision. Ms Loke Choy Fun 6236-8925 Ms Leong Kwai Chun 6236-8847

1. INTRODUCTION

- 1.1 This Regulatory Notice explains the circumstances, conditions and operational procedures that a Member shall observe with respect to the know-your-customer requirements set forth in Rule 3.3.1.

2. KNOW-YOUR-CUSTOMER REQUIREMENTS

2.1 Individual Customer Account

Before opening an individual Customer Account, a Member shall:

- (a) obtain particulars of the Customer (and any person authorised to trade for the Customer), including the full name, a copy of the identity card/passport, specimen signature, residential and mailing addresses, telephone numbers, occupation, and the name, address and telephone number of the Customer's employer, and investment objectives (if applicable); and
- (b) take suitable steps to verify the Customer's identity and intention if the Customer does not open the account in person.

2.2 Corporate Customer Account

Before opening a corporate Customer Account, a Member shall:

- (a) obtain particulars of the Customer, including the full name, registered and mailing addresses, names and signatures of persons authorised to trade, and investment objectives (if applicable);
- (b) obtain a certified true copy of the certificate of incorporation of the Customer; and
- (c) obtain either (i) or (ii) below, failing which it must note in writing the basis upon which it believes that the Customer may open the account and engage in transactions and that the persons acting for the Customer have been duly authorised to trade on the Customer's behalf:
 - (i) a copy of the directors' resolution of the Customer approving the opening of a trading account with the Member and empowering specific directors and officers to:

- (A) trade in futures and options in the Customer Account; and
 - (B) execute all documentation for trading and settlement in the account;
- or
- (ii) a power of attorney (in English) certified by a notary public, authorising identified persons to open a trading account and trade on behalf of the Customer.

2.3 Joint Account

- (a) A Member may allow Customers to open a joint trading account if:-
 - (i) each joint account holder is at least 21 years old; and
 - (ii) no joint account holder is an undischarged bankrupt.
- (b) A joint account may be operated by not more than two (2) individuals. However, if it is an estate account, it may be operated by all the personal representatives.
- (c) A Member shall maintain the following information:
 - (i) particulars of each joint account holder;
 - (ii) the names of persons authorised to give trading orders and settlement instructions and receive monies and assets from the Member;
 - (iii) the names of persons to whom payments by the Member are to be made; and
 - (iv) details of any accounts held in an individual capacity by a joint account holder.
- (d) A Member shall require each joint account holder to specify whether the joint account holder is jointly or severally liable for all debts incurred in a joint account.

Regulatory Notice

3.3.8 Recording of Orders

Issue Date	Cross Reference	Enquiries
22 Sept 2006	Rule 3.3.8	Please contact Market Surveillance: Mr Kelvin Tan 6236 5907 Mr Samuel Tan 6236 5909

1. INTRODUCTION

- 1.1 This Regulatory Notice sets out the details to be contained in an Order Form, as set forth in Rule 3.3.8.

2. DETAILS ON THE ORDER FORM

- 2.1 In addition to the requirements prescribed in Regulation 39(3) of the Conduct of Business Regulations, the Order Form shall, where applicable, include the following details:
- (a) the Customer's designation, which shall readily identify the account for which the order was given;
 - (b) the date and time that the Customer's order, amendment or cancellation was passed from the Registered Representative to the Approved Trader;
 - (c) the contract for which the Customer's order was given;
 - (d) the contract month of that futures contract;
 - (e) the quantity of that futures contract;
 - (f) the order type;
 - (g) the price (if any) to buy or sell that futures contract;
 - (h) in the case of an option contract, the class of options and the strike price; and
 - (i) the date and time that the order or amended order was executed

Regulatory Notice**3.3.12(h) Customer Margins**

Issue Date	Cross Reference	Enquiries
22 Sept 2006	Rule 3.3.12(h)	Please contact Member Supervision : Ms Loke Choy Fun 6236-8925 Ms Leong Kwai Chun 6236-8847

1. INTRODUCTION

- 1.1 The Regulatory Notice sets out the requirements in relation to Customer margins under Rule 3.3.12(h).

2. CUSTOMER MARGINS

- 2.1 Members shall compute, monitor and collect margins from Customers in accordance with the requirements in this Regulatory Notice. The detailed requirements under this Regulatory Notice are available to Members upon request.

Regulatory Notice

3.3.14(g) Inter-exchange Cross-Margining

Issue Date	Cross Reference	Enquiries
22 Sept 2006	Rule 3.3.14(g)	Please contact Member Supervision: Ms Loke Choy Fun 6236-8925 Ms Leong Kwai Chun 6236-8847

1. INTRODUCTION

This Regulatory Notice sets out the internal controls and risk management procedures as required under Rule 3.3.14(g).

2. REQUISITE INTERNAL CONTROLS AND PROCEDURES

2.1 A Member shall have proper internal controls and risk management procedures to ensure that:

- (a) the limit on the amount of margin credit granted to a Customer shall be set, approved and regularly reviewed by an authorised staff independent of trading, dealing and marketing functions;
- (b) in setting the limit on the amount of margin credit granted to a Customer, the Member shall take into account possible Maintenance Margin calls and settlement variation losses to be paid to the Clearing House and any other relevant clearing house;
- (c) it strictly observes the limit on the amount of margin credit granted to each Customer; and
- (d) it has proper systems and control procedures to monitor, on a daily basis, the usage of margin credits and the adequacy of its liquidity facilities (bank lines and cash balances) to meet obligations arising from positions held with the Clearing House and any other relevant clearing house, including:
 - (i) daily monitoring of each Customer's intra-day and end-of-day use of margin credits to ensure that the limit on the amount of margin credit used is not breached;
 - (ii) daily monitoring of all Customers' aggregated intra-day and end-of-day use of margin credits to ensure that the Member's liquidity facilities (bank lines and cash balances), after setting off the Customers' aggregate use of margin credits, are adequate to meet the potential mark-to-market loss for positions carried at any relevant clearing house (excluding the Clearing House), as well as potential mark-to-market loss equivalent to at least two (2) times the Maintenance Margin for positions carried with the Clearing House;
 - (iii) generation of reports used for intra-day and end-of-day monitoring in a timely manner and with the following information:

- (A) limit on amount of margin credit granted to each Customer;
- (B) amount of margin credit used by each Customer;
- (C) aggregate limit on amount of margin credit granted for all Customers;
- (D) aggregate amount of margin credit used by all Customers;
- (E) available liquidity facilities (bank lines and cash balances); and
- (F) excess liquid facilities, after setting off the Customers' aggregate use of margin credits;

and

- (e) remedial procedures are in place should there be any breach of controls, limits and thresholds.

Regulatory Notice

3.3.17; 3.3.18; 3.3.26; 3.3.27

Reporting of Account Identity; Reporting of Open Positions; Computations of Financial and Capital Requirements; Submission of Financial Statements and Other Information to the Exchange;

Issue Date	Cross Reference	Enquiries
7 December 2009	Rule 3.3.17 Rule 3.3.18 Rule 3.3.26 Rule 3.3.27	Please contact : Risk Management, for Rules 3.3.17 and 3.3.18 Ms Elaine Tang 6236-8142 Member Supervision, for Rule 3.3.26 and 3.3.27 Ms Loke Choy Fun 6236-8925 Ms Leong Kwai Chun 6236-8847

1. INTRODUCTION

- 1.1 This Regulatory Notice sets out the conditions and operational procedures pursuant to Rules 3.3.17, 3.3.18, 3.3.26, and 3.3.27.

2. ELECTRONIC REPORTING AND SUBMISSION OF INFORMATION

- 2.1 A Member is required to submit the following information, except that in the case of a Bank Trading Member, the following requirements apply only in respect of the Bank Trading Member's business that is governed by this Rules:

(FTR004/2009)

(a) Rule 3.3.17 : Reporting of Account Identity (BC4A)

- (i) Except for Trading Members that engage solely in House Trades and Proprietary Trades of its Related Corporations, a Member is required to submit to the Exchange, using Form BC4A, details of any new account which is used for trading and/or carrying of trades done on Exchange, other exchanges and over-the-counter.
- (ii) If the account is a disclosed omnibus account, Form BC4A must be submitted for each sub-account. However, if the account is an undisclosed omnibus account and the sub-accounts are not used for position reporting and trades clearing, Form BC4A is not required for the sub-account(s). Members need not submit Form BC4A to the Exchange for trading accounts which are to be linked to a "Main" BC4A account using the SGXCLEAR system.

(FTR006/2009)

- (iii) If there are any changes to information stated in a BC4A account that has been submitted previously, the Exchange must be notified as soon as is practicable, within the next business day.
 - (iv) Members should notify the Exchange, when an account is closed in their system, as soon as is practicable, to prevent unauthorised trading in the account.
 - (v) Form BC4A serves as identification for the holder of the account and no single account number should be assigned to more than one customer, even after the account has been closed.
 - (vi) The operational procedures and timelines in relation to the submission and procedure for the completion of Form BC4A are set out in **Appendix 1**.
 - (vii) Members are required to put in place internal controls to ensure that the Form BC4A has been properly approved by the Chief Executive Officer (“CEO”) or authorised senior executives (e.g. Deputy CEO, General Manager or Operations Manager) before submission. For operational reasons, the submission of Form BC4A may be delegated to senior executives who must be of at least a supervisory grade. Approved staff, including the authorised senior executives, should not be directly involved in trading activities. Members are reminded that the primary responsibility for ensuring the accuracy of the Form BC4A submitted still falls on the CEOs of the respective Member firms.
 - (viii) Members are required to ensure all information reported under Form BC4A is complete and accurate as the Exchange relies on these records for its risk management and market surveillance programmes. Due care should be exercised in completing the Form.
- (b) Rule 3.3.18 : Reporting of Open Positions (BC3A)

A Member shall record, using Form BC3A, a daily report of Open Positions in all accounts at the end of each Trading Day. The Form BC3A shall be submitted to the Exchange in accordance with the operational procedures and timelines set out in **Appendix 1**. For disclosed Omnibus Accounts, a Member shall report the Open Positions in each sub-account.

- (c) Rule 3.3.26 : Computations of Financial and Capital Requirements; and Rule 3.3.27 : Submission of Financial Statements and Other Information to the Exchange

A Member shall submit to the Exchange monthly RBC (Risk Based Capital) financial returns. General Trading Members shall submit financial returns referring to the items listed under “Financial Returns”, “Supporting Schedules” and “Confirmation” as set out in **Appendix 2**. Bank Trading Members shall submit financial returns as set out in the forms prescribed by the Exchange. The financial returns shall be submitted by the 14th calendar day of each month, or such longer period as the Exchange may allow. Requests for extensions of time shall be submitted to the Exchange at least three (3) Business Days prior to the due date for submission of the monthly RBC financial returns.

(FTR004/2009)

2.2 **Appendices 2 and 2A** set out the details of information which a Member shall submit to the Exchange periodically and the manner in which the information is to be submitted.

2.3 The Exchange will inform Members by way of Circular, at least five (5) days before implementation, if there are any changes to the timelines stipulated in **Appendices 1, 2 and 2A**.

2.4 User IDs

A User ID is issued to a Member to facilitate electronic submission and downloading via the SGX Data Submission System. The User ID is issued only to a director of the Member. The Member shall use the form in **Appendix 3** to inform the Exchange of the name of the director. The form shall be signed by two (2) directors. The director who has been issued with the User ID may authorise other employees of the Member to submit files, provided such authorisation is documented and proper procedures are in place.

A Member shall appoint at least two (2) employees as User ID coordinators who shall liaise with the Exchange on matters relating to User ID and IT security.

A Member shall use the form in **Appendix 3A** to inform the Exchange of the names of the User ID coordinators and its authorised signatories for submission of forms in Appendices 2 and 3. The detailed responsibilities of the authorised signatories and coordinators are set out below:

(a) **AUTHORISED SIGNATORY**

- (i) Review and approve requests for access to SGX Data Submission System.
- (ii) Ensure the timely submission of appropriate requests to the Exchange in the event that the director who is issued with the User ID resigns, transfers or changes his duties/functions.
- (iii) Inform the Exchange to revoke the access (e.g. if staff abuses the access granted to him).

(b) **USER ID COORDINATOR**

- (i) Submit requests for the application or deletion of User IDs on behalf of the Member using Appendix 3.
- (ii) Act as the liaison to the Exchange for any IT security incidents or activities, such as:
 - (A) User ID compromised;
 - (B) User ID account lock-out;
 - (C) IT security violations; and
 - (D) unauthorised changes to critical systems.
- (iii) Assist the Exchange in its Annual IT Security Verification exercise.
- (iv) Update the Exchange on changes pertaining to the following:
 - (A) list of User ID coordinators;
 - (B) list of authorised signatories; and
 - (C) company name or other information.
- (v) Check that all requests in accordance with **Appendix 3** are duly completed and properly authorised before submitting to the Exchange.

3. LATE FEES

- 3.1 Where a Member fails to submit any information, returns or reports required under the above Rules, within the prescribed time, there shall be imposed upon the Member a late fee of an amount to be prescribed by the Exchange from time to time, unless an extension of time has been granted.
- 3.2 Where a Member fails to submit the monthly RBC financial returns within the prescribed time, there shall be imposed upon the Member a late fee for each day that the returns are not submitted in the prescribed time, unless an extension of time has been granted. The late fee shall be set at an amount which the Exchange may prescribe from time to time.
- 3.3 A Member shall be required to resubmit any information, returns or reports required under the above Rules and take such other steps as the Exchange may require upon the Exchange's notification that the information, returns or reports are inaccurate or incomplete.

**OPERATIONAL PROCEDURES FOR ELECTRONIC REPORTING AND
SUBMISSION OF INFORMATION**

1 RULE 3.3.17: REPORTING OF ACCOUNT IDENTITY (FORM BC4A)

1.1 General

1.1.1 A Member shall submit to the Exchange, using Form BC4A, details of any new account, within three (3) Business Days after the account has commenced trading (T + 3). If the account holder is an individual Trading Member or a Trading Representative of a SGX–ST member, who also executes trades on the Markets for his own account, Form BC4A must be submitted by the Member at least one (1) Business Day before it commences trading. This is to ensure accurate processing of clearing fee rebates. This requirement also applies to Trading Members (Individual) and Trading Representatives¹ who are changing their qualifying Clearing Members.

1.1.2 If there are any changes to information stated in a BC4A account that has been submitted previously, the Exchange must be notified as soon as is practicable, within the next business day.

1.1.3 Members should notify the Exchange when an account is closed in their system as soon as is practicable, to prevent unauthorised trading in the account.

1.1.4 A Member is required to submit Form BC4A for each account (including sub-account(s) of a disclosed omnibus account), which is used for trading and/or carrying of trades done on the Exchange, other exchanges and over-the-counter. As Form BC4A serves as identification for the holder of the account, no single account number should be assigned to more than one customer, even when the account has been closed. For Members, all accounts submitted via Form BC4A (i.e. BC4A account) will automatically be created in the SGXCLEAR system.

(FTR006/2009)

¹ Trading Representatives are dealers' representatives who are trading for their own account on SGX Quest via the SESOPS Link.

1.1.5 If Members create trading accounts **directly** in the SGXCLEAR system, they are not required to submit Form BC4A, but must ensure that such trading accounts created in the SGXCLEAR system are linked to valid BC4A accounts.

(FTR006/2009)

1.1.6 **Any account number used in position reporting must correspond exactly to the account number reported in Form BC4A.**

1.1.7 If an account used to register trades in eNLT or TRS is not a BC4A account or trading account created in the SGXCLEAR system, it will be considered an invalid account. Trades belonging to an invalid account will automatically be held in the Clearing Member's Holding Account in the SGXCLEAR system. Holding Accounts bear the account numbers "S999 DEFAULT", where "S999" denotes the Member's firm code. Clearing Members are **not allowed** to close/delete the Holding Accounts.

(FTR006/2009)

1.1.7A If an account specified in the orders routed to QUEST-DT is not a trading account created in SGXCLEAR under the order management system, it will be considered an invalid account. The resultant trades will automatically be held in the Member's Holding Account under the order management system in the SGXCLEAR system. Holding Accounts under an order management system bears the account number "OS999 DEFAULT", where "OS999" denotes the ID assigned to the order management system. Members are **not allowed** to close/delete Holding Accounts.

(FTR006/2009)

1.1.8 The Form BC4A must be submitted through the SGX Data Submission Website (<https://esub.sgx.com>), which includes the following features:

- (a) creation of new BC4A account;
- (b) closure of BC4A account;
- (c) BC4A account amendment;
- (d) reinstatement of BC4A account; and
- (e) deletion of BC4A account.

1.2 Detailed Description of submission of Form BC4A

The descriptions of the fields to be filled in for submission of Form BC4A are set out as follows:

- (a) Firm ID
A Member is issued a unique ID by SGX for the purpose of electronic submission via the SGX Data Submission System.
- (b) Submission Period
Date of the submission. (Format: dd/mm/yyyy)
- (c) Name of the Person who prepared the submission
Full name of the person who prepared the Form BC4A submission.
- (d) Action Type
Type of action for submission. Members can select the following options:
- (i) N – New (For creation of new BC4A account)
 - (ii) A – Amend (For amendment of existing BC4A account)
 - (iii) C – Closed (For closure of existing BC4A account)
 - (iv) R – Reopen (For reinstatement of closed BC4A account)
 - (v) D – Delete (For deletion of BC4A account)
- (e) Account Number
A unique “Account Number” must be assigned to each new account reported in Form BC4A. The account number may be up to 10 alphanumeric characters long. **Only alphabets and numbers are acceptable. (Spaces, hyphens, underscores, asterisks, inverted commas, percent signs (%) and other characters will not be accepted).** Please ensure that account numbers reported are in uppercase. Account numbers used must be the same as the account numbers used for trade matching and clearing in the SGXCLEAR system.
- (FTR006/2009)*
- (f) Account Name
The account name must be the same as that which is used in the customer’s agreement form signed by the account holder. The full name of the entity/person(s) should be stated as the account name. Any amendment to the account name must be supported by documentary evidence.
- (g) Contact Name

The contact person stated should be a representative of the account holder, or the account holder himself.

(h) Address

The address of the account holder should be the same as the address stated in the customer agreement form signed by the account holder. The city and country should be included for foreign addresses.

(i) Telephone

The direct telephone number of the contact person should be provided. If the contact person is not a resident in Singapore, the country code of the location of the contact person should be included.

(j) Fax

The direct facsimile number of the contact person should be provided. If the contact person is not a resident in Singapore, the country code of the location of the contact person should be included.

(k) Principal Business

This field states the type of business the account holder specialises in. The ten (10) different categories are as follows:

- ✓ Banks
- ✓ Funds
- ✓ Securities Firms
- ✓ Insurance Companies
- ✓ Government Firms / Agencies
- ✓ Non – Financial / Agencies
- ✓ Energy / Commodity Firms
- ✓ Individuals
- ✓ Omnibus Accounts
- ✓ Financial
- ✓ Others

(l) Occupation

This field allows users to specify the type of business or occupation the account holder is involved in, where it does not fall within any of the classes of principal businesses provided in the Form BC4A.

(m) Country Name

This field identifies the account holder's country of incorporation, or the country in which the account holder is residing. The following Master Table sets out the Country Code Listing.

Country Master Table			
Code	Description	Code	Description
AUS	AUSTRALIA (GP A)	LIB	LIBERIA
ATR	AUSTRIA (GP A)	LIE	LIECHTENSTEIN
BAM	BAHAMAS	LUX	LUXEMBURG (GP B)
BAH	BAHRAIN	MAL	MALAYSIA EXCEPT LABUAN (GP A)
BAN	BANGLADESH	MAU	MAURITIUS
BEL	BELGIUM (GP A)	MEX	MEXICO
BER	BERMUDA	MON	MONACO
BVI	BRITISH VIRGIN ISLAND	MYN	MYANMAR
BRU	BRUNEI	HOL	NETHERLANDS (GP A)
CAM	CAMBODIA	NEA	NETHERLANDS,ANTILLES
CAN	CANADA (GP A)	NZN	NEW ZEALAND (GP A)
CAY	CAYMAN ISLAND	NOI	NORFOLK ISLAND
CNL	CHANNEL ISLAND	NOR	NORWAY (GP B)
PRC	CHINA (GP B)	OMA	OMAN
DEN	DENMARK	OTH	OTHERS
FIN	FINLAND (GP B)	PHI	PHILIPPINES (GP B)
FRA	FRANCE (GP A)	POR	PORTUGAL (GP B)
GER	GERMANY (GP A)	RUS	RUSSIA
GIB	GIBRALTAR	SAR	SAUDI ARABIA
GRE	GREECE (GP B)	SIN	SINGAPORE
HKG	HONG KONG (GP A)	SLO	SLOVENIA
INA	INDIA (GP B)	SAF	SOUTH AFRICA
IND	INDONESIA (GP B)	SPA	SPAIN (GP A)
IRE	IRELAND (GP B)	SRI	SRI LANKA
IOM	ISLE OF MAN	SWE	SWEDEN (GP A)
ISR	ISRAEL	SWZ	SWITZERLAND (GP A)
ITA	ITALY (GP A)	TAH	TAHITI
IVC	IVORY COAST	ROC	TAIWAN (GP A)
JPN	JAPAN (GP A)	THA	THAILAND (GP A)
NKR	KOREA - NORTH	UAE	UNITED ARAB EMIRATES
SKR	KOREA - SOUTH (GP A)	UK	UNITED KINGDOM (GP A)
KUW	KUWAIT	USA	UNITED STATES OF AMERICA (GP A)
LAT	LATVIA	URU	URUGUAY

(n) Account Category

An account should be reported as a “Main” account unless it is a sub-account of an omnibus account. If the account is a sub-account, then the omnibus account number (which must be the same as the account number previously reported to the Exchange) must be stated. An omnibus account must be reported before the sub-account(s), so that the sub-account(s) can be correctly linked to the omnibus account.

If the account is a disclosed omnibus account, Form BC4A must be submitted for each sub-account. However, if the account is an undisclosed omnibus account and the sub-accounts are not used for position reporting and trades clearing, Form BC4A is not required for the sub-account(s). **Members need not submit Form BC4A to the Exchange for trading accounts which are to be linked to a “Main” BC4A account using the STAR system.**

(o) Omnibus Account No.

When the account is reported as a sub-account, users must provide the omnibus account, which the sub-account is linked to. The omnibus account number should be reported in uppercase.

(p) Origin

A “House” origin account refers to the proprietary account of a Member or the proprietary account of its Related Corporation. It also includes the accounts opened for a director, officer, employee or Registered Representative of the Member.

All other accounts are considered as “Customer” origin accounts.

(q) Nature of Account

A “Proprietary” account is one where the positions carried in the account are for the proprietary trading of the account holder, or the proprietary trading of the account holder’s related corporations.

A “Non-Proprietary” account is one where the positions carried in the account belong to the customers of the account holder.

(r) Type of Account

This field specifies the type of account. Currently, the Exchange has classified the various types of trades into nine (9) categories. The following definition for the account type may be used as a reference:

✓ *Approved Arbitrageur or Options Market – Maker*

Where the account holder is an arbitrageur or options market-maker approved by the Exchange to conduct such business. Long positions are automatically offset against short positions.

- ✓ Arbitrage²
Positions in such accounts are maintained for the purposes of arbitraging against other markets. Long positions are not automatically offset against short positions. Instructions must be provided to close out an existing position.
- ✓ Arbitrage Open
Positions in such accounts are maintained for the purposes of arbitraging against other markets. Long positions are not automatically offset against short positions. Instructions must be provided to close out an existing position.
- ✓ Error
Such account types allow for booking of trades that are executed wrongly. Such an account should have a “zero” balance at the end of the business day.
- ✓ Hedge²
Positions in such accounts are maintained for hedging against cash market or other types of exposures. Long positions are not automatically offset against short positions. Instructions must be provided in order to close out an existing position.
- ✓ MOS / Execution
Mutual Offset System (“MOS”) account is for booking trades to be transferred to another member on a participating exchange via the mutual offset linkage at the end of the business day. The Execution account is for booking trades that are purely for execution and give-up only.
- ✓ Omnibus²
This account type is used when there are a number of underlying Customers, whose positions are carried in sub-accounts. Long positions are not automatically offset against short positions. Instructions must be provided in order to close out an existing position in any sub-account.
- ✓ Order – Filling
Order – Filling accounts are used for booking trades executed by local order-fillers, or trades executed by Trading Members (or by Clearing Members themselves) on the instruction of other corporate Members for give-up to those Members, until the trades are given up to the accepting corporate

² The Exchange may require documentary evidence for accounts which are designated as “hedge”, “arbitrage”, or “omnibus”.

Member. This type of account should have a “zero” balance at the end of each business day as the trades booked are given up to the carrying broker by that time.

✓ Speculative

Such accounts are for taking speculative positions in the market, i.e. where the account holder does not hold concurrent long and short positions. For this type of account, long and short positions are automatically offset against each other.

(s) Ownership

The Exchange has classified the various types of ownership into seven (7) categories. The following descriptions may be used as a reference:

✓ Your Company

Where the account holder is the Member itself.

✓ Another SGX Corporate Member

Where the account holder is a Clearing Member, Trading Member and Trading Member (Proprietary).

✓ Your Related Corporation

Where the account holder is a Related Corporation of the Member.

✓ Non – Related Corporation

Where the account holder is a corporation, but is not a Related Corporation of the Member.

✓ Individual Person

Where the account holder is an individual. This includes directors, officers, employees and Registered Representatives.

✓ Trading Member (Individual)

Where the account holder is a Trading Member (Individual) or a trading representative.

(t) Fee Type

The appropriate clearing fee type for the account should be indicated. The SGXCLEAR system will automatically use the clearing fee type reported as the fee type for the account number when it is used in the SGXCLEAR system for computation of clearing fees. For amendment of fee type, Members will not be able to change the fee type through the SGXCLEAR terminals; it must be done via Form

BC4A amendment. The Exchange has classified the various fee types into eleven (11) categories. The following descriptions may be used as a reference:

- ✓ 1 – Trading Member (Individual)’s own trades
- ✓ 2 – Clearing Member’s house (or proprietary) account
- ✓ 3 – Trading Member’s house (or proprietary) account
- ✓ 5 – Clearing Member’s Customer account
- ✓ 6 – Trading Member’s Customer account
- ✓ 7 – Trading Member (Proprietary)’s account under customer origin
- ✓ 8 – Clearing Member’s Related Corporation’s house (or proprietary) account
- ✓ E – Trading Representative who is a Registered Representative [RR] / Capital Markets Services’ Representative [MSR] of a Trading Member
- ✓ F – Trading Representative who is not a Registered Representative [RR] / Capital Markets Services’ Representative [MSR] of a Trading Member
- ✓ G - Trading Representative who is a Registered Representative [RR] / Capital Markets Services’ Representative [MSR] of a Clearing Member
- ✓ K – Trading Member (Proprietary)’s account under house origin

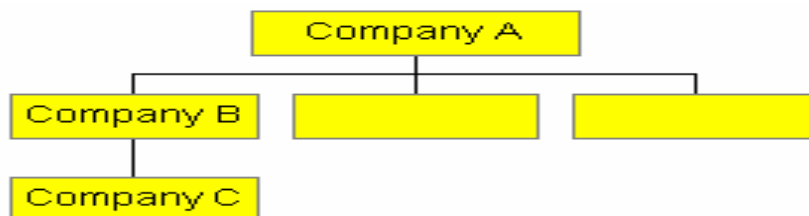
(FTR006/2009)

(u) Broker Code

Clearing Members are required to provide the broker symbol when the account is opened for a Trading Member (Individual) or a Trading Representative. Otherwise, this item should be left blank.

(v) Ultimate Parent Company of this account holder

If the account holder is a corporation, Members are required to inform the Exchange of the ultimate parent company of the account holder. As an example below, if Company C is the reporting BC4A account, then Company A should be reported as the ultimate parent company.



(w) Is this account used for position reporting?

Indicate Y (Yes) if the account number is used for Position Change Sheet (“PCS”) Reporting or indicate N (No) if this is an omnibus account and the sub accounts are used for PCS reporting. As this field is not applicable for Trading Members, Trading Members should indicate N (No) for all accounts.

- (x) Does this account control trading of or have a 10% or more financial interest in any other accounts?

If the account has a 10% or more financial interest and / or controls the trading of other accounts carried with the Member, the account names and account numbers of these accounts must be provided.

- (y) Do any other persons/account owners control trading of or have a 10% or more financial interest in this account?

If other persons / account owners control the trading of or have a 10% or more financial interest in this account, the account names and account numbers of these persons or accounts must be provided.

1.3. Printing and Filing

The XML file enables members to print hardcopies of the Form BC4A for filing, if required.

A sample BC4A form is as follows:

MEMBER COMPANY'S SUBMISSION OF BC4A - Account Identity information				
Firm Id:				
Submission Period:	(dd/mm/yyyy)			
Name of the Preparer:				
Action Type:				
Account Number:	(Uppercase)			
Account Name:				
Contact Name:				
Address:				
Telephone:				
Fax:				
Principle Business:				
Occupation:				
Country Name:				
Account Category:				
Omnibus Account no.:	(Uppercase)			
Origin:				
Nature of Account:				
Type of Account:				
Ownership:				
Fee Type:				
Broker Code:				
Ultimate Parent company of this account holder:				
Is this account used for position reporting?	(Default to 'N' for non-clearing member)			
Does this account control trading of or has a 10% or more financial interest in any other accounts?				
Please list the accounts controlled by this account:				
Account Number	Account Name	Action Type	Old Account Number	Old Account Name
Does any other persons/account owners control trading of or have a 10% or more financial interest in this account?				
Please list the accounts that control this account:				
Account Number	Account Name	Action Type	Old Account Number	Old Account Name

2 RULE 3.3.18: REPORTING OF OPEN POSITIONS (FORM BC3A)

- 2.1 After the Member has recorded the daily report of Open Positions in all accounts at the end of each Trading Day, it should submit Form BC3A to the Exchange no later than 11:00 a.m. of the following Business Day. For disclosed Omnibus Accounts, a Member shall report the Open Positions in each sub-account.

**3 RULE 3.3.26: COMPUTATIONS OF FINANCIAL AND CAPITAL REQUIREMENTS; AND
RULE 3.3.27: SUBMISSION OF FINANCIAL STATEMENTS AND OTHER INFORMATION TO THE EXCHANGE**

- 3.1 Where a Member fails to submit the monthly RBC financial returns within the prescribed time, there shall be imposed upon the Member a late fee of \$100 for each day that the returns are not submitted in the prescribed time, unless an extension of time has been granted.

**FINANCIAL STATEMENTS AND OTHER INFORMATION TO BE SUBMITTED BY MEMBERS
VIA SGX DATA SUBMISSION SYSTEM**

1. Details of information should be submitted via the Exchange's electronic submission system (SGX Data Submission System) in pre-defined Extensible Markup Language ("XML") format. A web interface is provided for the Member to log in and submit the files. The files received are auto-validated for accuracy and the Member will be informed by email whether its submissions have been successfully processed. A Member shall use the form at **Appendix 2A** to indicate the e-mail addresses it wants the messages sent to.
2. A Member shall submit the required information using the Excel templates available on the SGX Data Submission Website. The Excel templates and the accompanying XML formats can be downloaded from this website: <http://esub.sgx.com>. A copy of the user guide on the SGX Data Submission System is available to Members upon request.
3. A Member may develop its own applications to generate files in the XML format specified by the Exchange for submission. A copy of the detailed XML Design document and the XML format is available, upon request.

	Trading Member	Trading Member (Introducing/ Executing Broker)	Trading Member (who is also a Clearing Member of SGX-DC)	Frequency	Timeline
Financial Returns				Monthly	14 th of the month
Statement of Assets and Liabilities (Form 1)	✓	✓	✓		
Statement of Financial Resources, Total Risk Requirement and Aggregate Indebtedness (Form 2)	✓	✓ (if separately required under the SGX-ST Rules)	✓		
Statement of Financial Resources and Total Risk Requirement (Form 5)		✓			
Statement of Profit and Loss (Form 6)	✓	✓	✓		

**FINANCIAL STATEMENTS AND OTHER INFORMATION TO BE SUBMITTED BY MEMBERS
VIA SGX DATA SUBMISSION SYSTEM**

Supporting Schedules* CRR 1 to 7 PRR 1 to 14 LER 1 to 2 URR 1	✓ (Only Applicable Schedules)		✓ (Only Applicable Schedules)		
Confirmation *	✓	✓	✓		
Credit Facilities **			✓	Monthly	10 th Business Day of the month.
Reporting of Open Positions (Form BC3A)	✓			Daily	11am on the following Business Day
Reporting of Account Identity (Form BC4A)	✓		✓	Ad Hoc	BC4A to be submitted within three (3) Business Days after a new account has commenced trading. BC4A for Trading Member (Individual) and Trading Representatives shall be submitted at least one (1) Business Day before they commence trading.
Reporting of Large Positions in Non – SGX Contracts (Form BC5A)**			✓	Daily	3.00pm on the following Business Day.

* in the form prescribed on the website at <http://esub.sgx.com>

** if separately required in accordance with the Clearing Rules.



**LIST OF EMAIL ADDRESSES FOR RECEIVING FEEDBACK
ON SUBMISSIONS
(For SGX Data Submission System)**

<u>Type of Submission, where applicable</u>	<u>Email Address</u>
1. RBC financial returns and schedules	_____
2. Daily Trading Turnover *	_____
Ageing of Settlement and Margin	_____
3. Financing *	_____
4. Borrowings and Trading Turnover *	_____
5. Financial Information *	_____
6. Credit Facilities	_____
Reporting of Open Positions (Form	_____
7. BC3A)	_____
Reporting of Account Identity (Form	_____
8. BC4A)	_____
Reporting of Large Positions in Non-	_____
9. SGX Contracts (Form BC5A)	_____

Name of Member : _____

Company Stamp : _____

1st authorised signatory : _____ (Signature)
 _____ (Name)
 _____ (Designation)

2nd authorised signatory : _____ (Signature)
 _____ (Name)
 _____ (Designation)

* only if separately required under Securities Rules.

FORM ADD/DEL ID



**CREATION/DELETION OF USER ID AND RESET OF PASSWORD
(For SGX Data Submission System)**

To : **Member Supervision**

Date of request : _____

	Request¹	ID Type²	User ID	Name	NRIC No.⁴	Designation
1	Add / Delete / Reset ³					
2	Add / Delete / Reset ³					
3	Add / Delete / Reset ³					
4	Add / Delete / Reset ³					

Name of Member : _____

Company Stamp : _____

1st authorised signatory⁵ : _____ (Signature)
 _____ (Name)
 _____ (Designation)

2nd authorised signatory⁵ : _____ (Signature)
 _____ (Name)
 _____ (Designation)

Notes:-

- 1 Each Member can only request for one (1) User ID to enable both submission of information and downloading of files. It can request additional IDs to enable only downloading of files.
- 2 Please indicate 'S' for User ID which enables submission and downloading, or 'D' for User ID which enables only downloading of files.
- 3 Please indicate the ID to delete/reset under the User ID column.
- 4 For foreigner, please indicate Passport Number.
- 5 A director cannot be a signatory to his/her own application.



**LIST OF AUTHORISED SIGNATORIES AND USER ID
COORDINATORS**

(For SGX Data Submission System)

FORM AUTH SIGN

To : Member Supervision

I. MEMBER'S DETAILS					
Name of Member	:	_____			
Company Stamp	:	_____			
II. INSTRUCTIONS					
Effective Date : _____					
Add / Delete / Update* List of authorised signatories / User ID coordinators					
* <i>Delete whichever is inapplicable</i>					
Notes:					
<ul style="list-style-type: none"> • <u>Signatories</u> shall be directors of the Member. • A director cannot be a signatory to his/her own application for User ID. • At least <u>2 signatories</u> and <u>2 User ID coordinators</u> are required. • Cross out any blanks to prevent unauthorised entries. • Form that is not properly completed will be rejected. 					
III. LIST OF AUTHORISED SIGNATORIES					
	<u>NAME</u>	<u>NRIC</u>	<u>SIGNATURE</u>	<u>DESIGNATION</u>	<u>EMAIL ADDRESS</u>
1					
2					
3					
IV. LIST OF USER ID COORDINATORS¹					
	<u>NAME</u>	<u>NRIC</u>	<u>DESIGNATION</u>	<u>TELEPHONE (DID)</u>	<u>EMAIL ADDRESS</u>
1					
2					
3					

PRACTICE NOTES

Practice Note

3.3.5 Customer Education

Issue Date	Cross Reference	Enquiries
22 Sept 2006	Rule 3.3.5	Please contact Member Supervision: Ms Loke Choy Fun 6236-8925 Ms Leong Kwai Chun 6236-8847

1. INTRODUCTION

- 1.1 This Practice Note sets out the areas of information, guidance and training that a Member should ensure that its on-line Customers are provided with.

2. INFORMATION, GUIDANCE AND TRAINING

- 2.1 A Member should ensure that its on-line Customers are provided with adequate information, guidance and training with respect to the separately enumerated areas below.

- 2.2 Potential limitations and risks of on-line trading, which include:

- (a) possibility of delays in order transmission and confirmation of order execution, and what to do in case of such delays;
- (b) not being able to withdraw erroneous orders in time due to the speed of electronic trading; and
- (c) danger of unauthorised access to a Customer's on-line account and recommended preventive security measures in relation to matters such as the protection of passwords and leaving an on-line screen unattended.

- 2.3 Prohibited trading practices, which refer to trading practices prohibited under this Rules, the Act or other Singapore laws.

- 2.4 System functionalities and order management procedures, which include:

- (a) system access requirements;
- (b) how to place, modify and withdraw orders;
- (c) types of trading controls e.g. types of error-prevention alerts and how to interpret system alerts; and
- (d) types of credit controls e.g. types of trading limits and how the trading limits are computed.

- 2.5 Contract Specifications, which include:

- (a) contract size;
- (b) ticker symbol;
- (c) Contract Months;
- (d) minimum price fluctuation; and
- (e) settlement basis.

Practice Note

3.3.16 Transfer of Unsuccessful Give-Up Trades to House Account

Issue Date	Cross Reference	Enquiries
22 Sept 2006	Rule 3.3.16	Please contact Member Supervision: Ms Loke Choy Fun 6236-8925 Ms Leong Kwai Chun 6236-8847

1. INTRODUCTION

1.1 This Practice Note sets out the treatment of unsuccessful give-up trades.

2. TREATMENT OF UNSUCCESSFUL GIVE-UP TRADES

2.1 Members are encouraged to ensure that all give-up trades are promptly and properly booked out by the end of trade date (T). Also, trades meant to be given-up may be done in the Customer's give-up account. If by end of T+1, there are trades which have not been given up to and accepted by the accepting Clearing Member, the Member should transfer such trades to a designated House Account identified as "*name of Member/ Unsuccessful Give-up Trades*".

Practice Note

3.4.8 Good Faith Bids And Offers

Issue date	Cross Reference	Enquiries
22 Sept 2006	Rule 3.4.8	Please contact Market Surveillance and Enforcement: Market Surveillance: Mr Kelvin Tan 6236 5907 Mr Samuel Tan 6236 5909 Enforcement: Mrs Annie Chen 6236 8842 Ms Neo Hwee Kuan 6236 8266

1. INTRODUCTION

- 1.1 This Practice Note sets out a situation where the Exchange may not consider a bid or offer to be in good faith.

2. GOOD FAITH BIDS AND OFFERS

- 2.1 If the Exchange suspects that a bid or offer entered by a Member or Approved Trader is not in good faith for the purpose of executing bona fide transactions, the Member or the Approved Trader would have to satisfy the Exchange otherwise.
- 2.2 The following is one (1) of the situations where a price may not be considered as in good faith for the purpose of executing bona fide transactions:

Market is at 2505 bid and 2507 offer. The Approved Trader enters a 2506 bid and withdraws it within a short span of time with the intention to trigger stop orders or to give a false impression of the market.

Practice Note

3.4.9 Fictitious Transactions Without Change In Ownership

Issue date	Cross Reference	Enquiries
22 Sept 2006	Rule 3.4.9	Please contact Market Surveillance and Enforcement:- Market Surveillance: Mr Kelvin Tan 6236 5907 Mr Samuel Tan 6236 5909 Enforcement: Mrs Annie Chen 6236 8842 Ms Neo Hwee Kuan 6236 8266

1. INTRODUCTION

- 1.1 This Practice Note sets out the recommended practice to avoid acting as buyer and seller in the same transaction.

2. RECOMMENDED PRACTICE

- 2.1 To avoid acting as buyer and seller in the same transaction, a Member or Approved Trader is encouraged:
- (a) to check all its outstanding orders in QUEST; and
 - (b) before entering an order, to withdraw any outstanding order entered by itself or its sponsoring Clearing Member on its behalf, which corresponds and is likely to match against the order which is to be entered.