



FUTURES TRADING RULES AMENDMENTS – EFFECTIVE 16 MAY 2011

Rule Amendments to implement Composition Fines System and Mandatory Minimum Penalties framework

RULE	RATIONALE/PURPOSE OF AMENDMENT	NEW / AMENDED RULES
7.2.1	<p>This Rule has been amended to introduce the Composition Fines System as an alternative option to the present disciplinary actions that SGX-DT may take.</p> <p>It is a useful alternative enforcement tool to facilitate the prompt resolution and efficient disposal of cases.</p> <p>The Composition Fines System allows an offender to resolve a rule violation by fulfilling certain conditions without going through the process of Disciplinary Committee hearings.</p>	<p><u>Disciplinary Action</u></p> <p>The Exchange may charge a Member, Approved Trader or Registered Representative before the Disciplinary Committee if an investigation or inspection reveals that the Member, Approved Trader or Registered Representative has committed a Rule Violation. The Exchange may, in lieu of a referral to the Disciplinary Committee, issue a letter of warning to the Member, Approved Trader or Registered Representative concerned.</p> <p>(a) <u>If an investigation or inspection reveals that a Member, Approved Trader or Registered Representative has committed a Rule Violation, the Exchange may take any of the following forms of disciplinary action, namely:</u></p> <p style="margin-left: 20px;">(i) <u>to charge the Member, Approved Trader or Registered Representative before the Disciplinary Committee;</u></p> <p style="margin-left: 20px;">(ii) <u>to make an offer of composition to the Member, Approved Trader or Registered Representative, if the Rule Violation is indicated in the third column of Schedule A as a compoundable Rule Violation; or</u></p> <p style="margin-left: 20px;">(iii) <u>to issue a letter of warning to the Member, Approved Trader or Registered Representative.</u></p> <p>(b) <u>If the Member, Approved Trader or Registered Representative does not accept the offer of composition or comply with the terms of the composition within the stipulated time as prescribed by the Exchange, the Exchange may refer the said Member, Approved Trader or Registered</u></p>

RULE	RATIONALE/PURPOSE OF AMENDMENT	NEW / AMENDED RULES
		<u>Representative to the Disciplinary Committee.</u>
7.2.1A	This Rule has been added to set out the administration of the Composition Fines System.	<u>Composition by the Exchange.</u> (a) <u>The Exchange may make an offer of composition to a Member, Approved Trader or Registered Representative who has committed a Rule Violation. The terms of the offer of composition include payment of a specified sum to the Exchange and may include the fulfillment of any accompanying terms that the Exchange may prescribe.</u> (b) <u>Upon payment of the specified sum and fulfillment of the accompanying terms by the Member, Approved Trader or Registered Representative within the stipulated time, no further proceedings shall be taken against that Member, Approved Trader or Registered Representative for that Rule Violation.</u> (c) <u>Acceptance of the offer of composition by the Member, Approved Trader or Registered Representative amounts to an admission of liability, and the Member, Approved Trader or Registered Representative will be deemed to have committed the conduct described in the charge.</u> (d) <u>In respect of Rule Violations which the Exchange may offer composition, guidelines on the range of composition which the Exchange may offer to a Member, Approved Trader or Registered Representative who has committed a Rule Violation are indicated in Schedule A.</u> (e) <u>The Exchange retains the discretion to offer composition to a Member, Approved Trader or Registered Representative of an amount which is lower or higher than the guidelines, except that the amount of composition that the Exchange may offer shall not exceed S\$10,000 for each Rule Violation.</u> (f) <u>Notwithstanding that a Rule Violation is indicated as being compoundable or may be compoundable under Schedule A, the Exchange retains the discretion not to make an offer of composition to the Member, Approved Trader or Registered Representative and instead,</u>

RULE	RATIONALE/PURPOSE OF AMENDMENT	NEW / AMENDED RULES
		<p><u>to charge the said Member, Approved Trader or Registered Representative before the Disciplinary Committee.</u></p> <p>(g) <u>If the Exchange has made an offer of composition, it will not commence disciplinary proceedings against a Member, Approved Trader or Registered Representative until after the stipulated period for the offer lapses.</u></p> <p><u>For the purposes of determining whether a Rule Violation is classified as a first, second, third or subsequent offence under Schedule A, only previous violations under the same Rule will be taken into consideration.</u></p>
7.2.2	<p>This Rule has been amended to introduce the Composition Fines System as an alternative option to the present disciplinary actions that SGX-DT may take.</p>	<p><u>Investigative Powers.</u></p> <p>In determining whether to lay a charge before the Disciplinary Committee <u>or to make an offer of composition</u>, the Exchange may, without notification to any Member, Approved Trader or Registered Representative, commence investigations in accordance with Rule 7.4.</p>
7.6.2A	<p>This Rule has been added to set out the administration of mandatory minimum penalties that is to be imposed by the Disciplinary Committee.</p> <p>A mandatory minimum penalty complements the Composition Fines System. With a mandatory minimum penalty, the quantum of any penalty imposed for all non-compoundable violations does not fall below the upper end of the range of composition sums. This assists in maintaining an overall consistency in the sentencing approach within the sentencing framework.</p>	<p><u>Mandatory Minimum Penalties to be Imposed by Disciplinary Committee for certain Rule Violations.</u></p> <p>(a) <u>Minimum penalties imposable by the Disciplinary Committee have been stipulated in respect of certain Rule Violations, as set out in the thirteenth column of Schedule A.</u></p> <p>(b) <u>Where a minimum penalty has been stipulated in respect of a particular Rule Violation, if the Disciplinary Committee is satisfied that the Exchange has proved on a balance of probabilities that the Member, Approved Trader or Registered Representative has committed the conduct described in the charge, the Disciplinary Committee:</u></p> <p>(i) <u>shall impose a penalty, pursuant to its power under Rule 7.6.2(c), not lower than the minimum amount as stated in the thirteenth column of Schedule A, for that particular Rule Violation; and</u></p> <p>(ii) <u>may choose to impose, in addition to the penalty in sub-section (i), any one or more of the sanction(s) as set out in Rule 7.6.2.</u></p>

SCHEDULE A TO THE FUTURES TRADING RULES

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposed by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
Chapter 2 – Access and Membership												
2.1	Access and Trading											
2.1.2(a)	Member to provide information to each Customer for which it has authorised Direct Market Access	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.1.2(b)	Member to assist the Exchange in investigations into potential Rule violations in relation to Customers for which it has authorised Direct Market Access	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
2.1.3	Persons accessing Partner Markets to comply with the applicable rules, laws and regulations governing trading in the Partner Market	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
2.2	Classes of Membership											
2.2.2	Trading Member to observe this Rules and any requirements prescribed by the Exchange	<i>[Unless otherwise specified in this Schedule]</i>										
	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.2.3	Clearing Member to observe this Rules, the Clearing Rules and any requirements as prescribed by the Exchange or the Clearing House	<i>[Unless otherwise specified in this Schedule or Schedule A to the Clearing Rules]</i>										
	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.3	Admission Criteria for Members											
2.3.2(b)	Member to notify the Exchange at the time of submission of its application for concurrent membership in another exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
2.4	Licensing and Credit Rating Requirements for Members, their Employees and Agents											
2.4.1	General Trading Member, and its employees and agents to procure and maintain requisite licenses and satisfy licensing requirements for engaging in regulated activity.	Not Compoundable	Not Compoundable									\$10,000
2.5	Financial Requirements for Members											
2.5.2(b)	General Trading Member to comply with financial requirements	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.5.2(c)	Bank Trading Members to comply with financial requirements	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.5.4	Member to comply with additional financial, capital and other requirements imposed by the Exchange or the Clearing House	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000

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2.5.5	Corporate Member to comply with the prescribed calculation of Financial Resources	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.5.6(a)	Corporate Member to immediately notify the Exchange of material changes to Financial Resources and Adjusted Net Head Office Funds	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.5.6(b)	Corporate Member to comply with requirements described under Regulation 7(3) of the Financial and Margin Requirements, imposed by the Exchange.	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
2.5.6(c)	Corporate Member to comply with directions of the Exchange on the submission of statements or operation of business.	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000

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			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
2.5.6(d)	General Trading Member to comply with the requirements described in Regulation 17(2) of the Financial and Margin Requirements, imposed by the Exchange.	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
2.5.7	General Trading Member to comply with requirements relating to preference shares, unsecured loans & others	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
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2.6	Technical Matters & Risk Management Controls											
2.6.1	Member to comply with other requirements or restrictions prescribed by Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.6.2	Corporate Member to have security arrangements in place to ensure that unauthorised persons are denied Direct Market Access	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
2.6.3	Corporate Member to comply with requirements relating to risk management controls	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.6.4	Corporate Member to maintain proper records and audit trails	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.6.5	Corporate Member to comply with accounting, reporting and book-keeping requirements	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
2.6.6(a)	Member to assess its business and operational risks and maintain adequate business continuity arrangements	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.6.6(b)	Member to document its business continuity arrangements in a business continuity plan	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.6.6(c)	Member to demonstrate awareness of risks, mitigating measures and state of readiness by way of attestation to the Board of Directors	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.6.6(d)	Member to review and test its business continuity plan regularly	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Member to appoint emergency contact persons and furnish the contact information to the Exchange	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
2.6.6(e)	Member's emergency person must be contactable at all times	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Member must notify the Exchange in the event of emergencies	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.7	Fit and Proper Requirements											
2.7.1	Corporate Member to demonstrate appointment of fit and proper persons as Directors, Chief Executive Officer and other specified personnel	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.7.2	Corporate General Trading Member to obtain the prior approval of the Exchange for appointment of CEO & Deputy CEO	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.7.3	Bank Trading Member to notify the Exchange of appointment of CEO & Deputy CEO, within the specified time	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.8	Bypass Privileges											

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
2.8.1(d)	Member to ensure that Bypass Privileges shall not be extended to third parties by Customers	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.8.1(e)	Member not to grant Bypass Privileges to any beneficial owners of sub-account within the Omnibus account	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.8.1(f)	Clearing Member to guarantee and assume financial responsibility for Customer's activity	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000.
2.8.1(g)	Clearing Member to be fully responsible for the conduct of business of its Affiliate	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.8.1(h)	Member to maintain current register of Customers granted Bypass Privileges	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
2.8.4	Clearing Member to apply for Bypass Privileges on behalf of Customers only if the financial requirements are met	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.8.6(a)	Clearing Member to notify the Exchange of overtrading	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.8.6(b)	Clearing Member to cause Customer to enter into a bypass undertaking in such form as prescribed by the Exchange	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
2.8.6(c)	Clearing Member to cause appointment of external auditor to confirm the matters specified	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
2.13	Registration of Approved Traders & Registered Representatives											
2.13.1	Member to register Approved Traders and Registered Representatives	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.13.2	Approved Trader to register with the Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposed by DC
Rule Chapter/Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
2.13.3	Registered Representatives to register with the Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
2.13.6	Member to notify the Exchange of specified occurrences	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.13.7A	Member to notify the Exchange of specified occurrences	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.14	Change of Control of Members											
2.14.1(a)	Corporate Member to notify the Exchange of change in ownership	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.14.1(b)	Corporate Member to notify the Exchange of changes which may alter the control of the Member	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.14.1(c)	Corporate Member to notify the Exchange of change in director	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
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			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
2.14.1(d)	Corporate Member to notify the Exchange of the death or bankruptcy of a director	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.14.1(e)	Corporate Member to notify the Exchange of any change in senior management	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.14.1(f)	Corporate Member to notify the Exchange of any alteration to constitutive documents	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.14.1(g)	Corporate Member to notify the Exchange of any engagement or involvement in any new business or change in business	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.14.1(h)	Corporate Member to notify the Exchange of any change in name	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2.15	Registration, Suspension & Termination of Members											

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
2.15.4	Member to comply with the directions of the Exchange if trading privileges are suspended or terminated	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
Chapter 3 – Conduct of Members, Approved Traders and Representatives												
3.2	Duties Applicable to All Members, Approved Traders & Registered Representatives											
3.2.1	Members, Approved Traders and Registered Representatives to observe general duties of integrity, fair dealing and care	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
3.2.2	Corporate Member to ensure that constitutive documents conform to this Rules	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	NA	NA	NA	NA	NA	NA	N.A.
3.2.3	Member to immediately report change in Member's circumstances	<i>[Unless otherwise specified in this Schedule]</i>										
		Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.2.4	Member to immediately inform the Exchange of the stipulated events	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.2.5	Member not to carry on business on any market if prohibited by the Exchange	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
	Member to comply with the rules and regulations of other markets on which a Member carries on business	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.2.6	Member to promptly settle all margin liabilities	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.2.7	Member not to carry speculative long and short positions for the same Contract Month	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.2.8	Member, Approved Trader and Registered Representative to comply with advertising guidelines	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
3.3	Duties of Members Undertaking Agency Trades											
3.3.1	Member to comply with customer account & Know-Your-Customer Requirements	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.3.2	Member to comply with management approval requirement for opening customer accounts	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.3	Member to obtain Risk Disclosure Statement	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000.
3.3.4	Member to execute orders only upon receipt from a Customer, unless otherwise authorised by the Customer	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.5	Member to provide on-line Customers with adequate information, guidance and training with respect to the stipulated matters	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.6	Member to accept orders only via Registered Representatives	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
3-3.7	Member or Registered Representative not to accept orders without executing them. Approved Trader to execute orders in accordance with the applicable rules	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
3-3.8	Registered Representative to immediately record an order, amendment or cancellation on an Order Form, unless immediately entered by an Approved Trader	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
	Member to comply with the Conduct of Business Regulations in respect of statement of accounts and contract notes	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposed by DC
Rule Chapter/Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.3.9	Member to provide statement of account and contract note at Exchange's request	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Member to obtain prior consent for electronic issuance of statement of account or contract note	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.10	Member to meet the stipulated fiduciary obligations to its Customers and to comply with segregation requirements under the SFA and Conduct of Business Regulations	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
3.3.11	Member not to trade or accept any Customer's monies or assets after insolvency	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
3.3.12	Member to comply with the stipulated requirements in relation to customer margins	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.3.13	Member to collect the required margins for Over-The-Counter Spot Trades from its Customer and the direct counterparty	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.14	Member to apply Inter-Exchange Cross Margining, only if the stipulated conditions are met	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.15	Member to comply with the requirements for the transfer of error trades to House Account	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.16	Member to enter into a give-up arrangement only if give-up agreement is executed and to comply with the stipulated requirements for unsuccessful give-up trades	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposed by DC
Rule Chapter/Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.3.17	Member to comply with the requirements for reporting of account identity	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.18	Member to comply with the requirements for the reporting of open positions	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		<i>[Unless otherwise specified in this Schedule]</i>										
3.3.19	Member to comply with the requirements and procedures prescribed by the Exchange for Omnibus Accounts	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.20	Member to comply with limits on Omnibus Accounts imposed by the Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposed by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.3.21	Member to obtain the required disclosures from the Omnibus Account Holder	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Member to comply with the orders of the Exchange in the event of an Omnibus Account Holder's failure to disclose	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
	Member to ensure that Omnibus Account Holders are aware of this Rule 3.3.21	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.22	Member to produce audit trail of transactions when requested by the Exchange	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
3.3.23(a)	Member to ensure that data and records are made and kept in a way that is easily retrievable	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.23(b)	Member to keep data and records for the minimum period prescribed by law	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
3.3.23(c)	Member to make data and records available to the Exchange in a timely manner when requested	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
3.3.24	Member to comply with all information technology and data security requirements	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.25	Member to issue unique ID tags & passwords	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.26	Member to make and keep as record, computations of financial & capital requirements	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.3.27	Member to submit financial statements or other information as required by the Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Member to comply with the directions of the Exchange thereafter	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
3.3.28	Member to comply with the requirements relating to auditor certification of its accounts	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.29	Member to cause auditor to report the stipulated information to the Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.30	Member to satisfy the applicable approval or notification requirements in relation to any change of auditors	Compoundable	\$500	\$1,000	\$2,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.31	General Trading Member not to act as guarantor	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.3.32(a)	General Trading Member to satisfy the Secondary Requirement in respect of opening a Foreign Branch	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.32(b)	General Trading Member to obtain the necessary approval from the Authority and the Exchange in respect of opening a Foreign Branch	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
3.3.32(c)	General Trading Member to obtain approval from the regulator in the relevant foreign jurisdiction in respect of opening a Foreign Branch and to furnish documentation of such approval to the Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
3.3.32(d)	General Trading Member to obtain approval from its, or its parent company's primary regulator in respect of opening a Foreign Branch and furnish documentation of such approval to the Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.32(e)	General Trading Member to comply with any other requirements imposed by the Exchange on Foreign Branch	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.3.32(f)	General Trading Member to ensure that activities of the Foreign Branch fall within the Regulated Activities which the General Trading Member is authorised to conduct	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3-3.32(g)	General Trading Member to submit the required undertaking to the Exchange, in relation to its Foreign Branch	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3-3.32(h)	General Trading Member to conduct the necessary internal audit on th Foreign Branch and submit a copy of the internal audit report to the Exchange	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.4	Trading Practices & Conduct Rules of Members, Approved Traders & Registered Representatives											
3.4.1	Member, Approved Trader or Registered Representative not to manipulate the market	Not Compoundable	Not Compoundable									\$30,000
3.4.2	Member, Approved Trading or Registered Representative not to engage in churning	Not Compoundable	Not Compoundable									\$30,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
3.4.3	Member, Approved Trader or Registered Representative not to engage in false trading, bucketing, fraudulent inducement to trade or employment of fraudulent device	Not Compoundable	Not Compoundable									\$30,000
3.4.4	Member, Approved Trader or Registered Representative to immediately inform Exchange of prohibited trading practices	Not Compoundable	Not Compoundable									\$10,000
3.4.5	Member, Approved Trader or Registered Representative not to disseminate false or misleading information	Not Compoundable	Not Compoundable									\$30,000
3.4.6(a)	Member, Approved Trader or Registered Representative not to permit the use of the Member's facilities or privileges by any other person in the stipulated manner	Not Compoundable	Not Compoundable									\$30,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.4.6(b)	Member, Approved Trader or Registered Representative not to engage in conduct which impairs dignity of the good name of the Exchange.	Not Compoundable	Not Compoundable									\$10,000
3.4.6(c)	Member, Approved Trader or Registered Representative not to commit acts substantially detrimental to the interest of Exchange	Not Compoundable	Not Compoundable									\$10,000
3.4.6(d)	Member, Approved Trader or Registered Representative not to refuse to comply with an order of the Exchange or the Disciplinary Committee or Appeals Committee	Not Compoundable	Not Compoundable									\$30,000
3.4.6(e)	Member, Approved Trader or Registered Representative not to refuse to comply with a final arbitration award	Not Compoundable	Not Compoundable									\$30,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.4.6(f)	Member, Approved Trader or Registered Representative to answer Customers' complaints promptly and in appropriate detail	Compoundable	\$500	\$1,000	\$2,000	\$250	\$500	\$1,000	\$250	\$500	\$1,000	N.A.
3.4.6(g)	Member, Approved Trader or Registered Representative not to commit fraudulent or dishonest act or any act of bad faith	Not Compoundable	Not Compoundable									\$30,000
3.4.6(h)	Member, Approved Trader or Registered Representative not to act in a dishonourable or uncommercial manner	Not Compoundable	Not Compoundable									\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
3.4.6(i)	Member, Approved Trader or Registered Representative not to make a material misstatement to the Exchange or Disciplinary Committee or Appeals Committee or in any information supplied to Exchange	Not Compoundable	Not Compoundable									\$20,000
3.4.6(j)	Member, Approved Trader or Registered Representative not to make or cause to be made a false or misleading entry into books, records, etc	Not Compoundable	Not Compoundable									\$10,000
3.4.6(k)	Member, Approved Trader or Registered Representative not to omit to make material entry in any books, records, reports, etc	Not Compoundable	Not Compoundable									\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.4.6(l)	Member, Approved Trader or Registered Representative not to alter or destroy any books, records, reports, etc	Not Compoundable	Not Compoundable									\$10,000
3.4.6(m)	Member, Approved Trader or Registered Representative not to use or reveal confidential information obtained by reason of participating in an investigative proceeding or hearing	Not Compoundable	Not Compoundable									\$10,000
3.4.6(n)	Member, Approved Trader or Registered Representative not to refuse to appear before the Exchange or the Disciplinary Committee or Appeals Committee at a hearing or in connection with any investigation.	Not Compoundable	Not Compoundable									\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
3.4.6 (o)	Member, Approved Trader or Registered Representative not to refuse to fully answer all questions or produce books and records at any audit, hearing or investigation	Not Compoundable	Not Compoundable									\$10,000
3.4.7	Member, Approved Trader or Registered Representative not to disclose orders	Not Compoundable	Not Compoundable									\$10,000
3.4.8	Member, Approved Trader or Registered Representative not to enter bids and offers other than in good faith	Not Compoundable	Not Compoundable									\$10,000
3.4.9	Member, Approved Trader or Registered Representative not to engage in the prohibited acts in relation to fictitious transactions without change in ownership	Not Compoundable	Not Compoundable									\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
3.4.10	Member not to execute any trade beyond any limits imposed and to comply with the prescribed requirements relating to overtrading	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3.4.11	Member, Approved Trader or Registered Representative not to knowingly take advantage of an error	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
3.4.12	Member, Approved Trader or Registered Representative not to be convicted of any offence relating to fraud, any act of bad faith, dishonest, dishonourable or uncommercial conduct	Not Compoundable	Not Compoundable									\$10,000
3.4.13	Member, Approved Trader or Registered Representative not to engage in front running	Not Compoundable	Not Compoundable									\$10,000.

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
3.4.14	Member, Approved Trader or Registered Representative not to knowingly trade against Customers' orders	Not Compoundable	Not Compoundable									\$10,000
3.5	Inspection and Audit											
3.5.2	Member to grant access to and cooperate with the Exchange in respect of inspections and audits	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
Chapter 4 – Listing and Trading of Contracts												
4.1 Rules Applicable to All Classes of Contracts Listed on the Markets												
4.1.7	Member not to combine outright orders from different principals and execute them as strategy transactions	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.1.8 r/w Regulatory Notice	Member to comply with procedures relating to error trades	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
4.1.9	Member, Approved Trader or Registered Representative not to withhold or withdraw Customer's orders unless the specified conditions are met	Not Compoundable	Not Compoundable									\$10,000
4.1.10	Member or Approved Trader to comply with the requirements relating to cross trades	Not Compoundable	Not Compoundable						N.A.	N.A.	N.A.	\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
4.1.11 r/w Regulatory Notice	Member, Approved Trader or Registered Representative to comply with the thresholds and procedures in relation to Negotiated Large Trades	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
4.1.12	Member, Approved Trader or Registered Representative to satisfy the conditions relating to the exchange of underlying for Futures Contracts	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
4.1.13	Member or Approved Trader not to engage in pre-arranged trades	Not Compoundable	Not Compoundable						N.A.	N.A.	N.A.	\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
Chapter 5 – Physical Delivery												
5.1	Title Documents and Physical Delivery Procedures											
5.1.1	Member to cooperate with Clearing Member to enable Clearing Member to effect delivery of Title Documents against payment	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
5.1.2	Member to mitigate risk of non-delivery	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
5.1.3	General Trading Member not to finance Performance Deposits or other Escrow Assets	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
5.1.5	Member not to default on delivery	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
Chapter 6 – Dispute Resolution and Arbitration												
6.2	Dispute Resolution Involving Deliverable Commodity Futures Contracts											
6.2.3	Member not to fail or refuse to arbitrate where the other Member elects to arbitrate under the Rule.	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
6.2.4	Member to cause its Customers to submit to Arbitration	Not Compoundable	Not Compoundable			N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$10,000
Chapter 7 – Adverse Events, Rule Violations & Disciplinary Action												

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
7.1	Adverse Events and Rule Violations											
7.1.5	Member, Approved Trader or Registered Representative to immediately notify the Exchange of any Adverse Event or Rule Violation	Compoundable	\$2,000 - \$4,000	\$4,000 - \$7,000	\$7,000 - \$10,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	\$1,000 - \$3,000	\$3,000 - \$6,000	\$6,000 - \$8,000	N.A.
7.2	Exchange's Disciplinary Powers											
7.2.3	Member, Approved Trader and Registered Representative to comply with restrictions or conditions imposed by the Exchange on its business	Not Compoundable	Not Compoundable									\$10,000
7.2.4	Member, Approved Trader or Registered Representative to comply with restrictions on its activities imposed by the Exchange, where it has been charged	Not Compoundable	Not Compoundable									\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
7.3	Exchange's Powers upon Occurrence of Adverse Events											
7.3	Member, Approved Trader or Registered Representative to comply with the requirements of the Exchange upon the occurrence of an Adverse Event	Not Compoundable	Not Compoundable									\$10,000
7.4	Investigations by the Exchange											
7.4.3	Member and its officers, Approved Trader or Registered Representative to cooperate with investigations	Not Compoundable	Not Compoundable									\$10,000
7.4.4	Member, Approved Trader or Registered Representative not to wilfully make, furnish, or permit the making or furnishing of false or misleading information	Not Compoundable	Not Compoundable									\$10,000
7.4.6	Member, Approved Trader or Registered Representative to provide information as required by the Exchange	Not Compoundable	Not Compoundable									\$10,000

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by the Exchange, where the Exchange has Determined the Member, Approved Trader and/or Registered Representative to be Liable									Mandatory minimum penalty imposable by DC
Rule Chapter/ Number	Brief Description of Rule		Members			Approved Traders			Registered Representatives			
			1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	1 st Violation	2 nd Violation	3 rd Violation	
7.7	Disciplinary Committee Proceedings											
7.7.5(b)	Person charged and sponsoring corporate Member not to disclose information received in relation to the charge and to give written undertaking to that effect	Not Compoundable	Not Compoundable									\$10,000
7.10	Appeals Proceedings											
7.10.6(b)	Person charged and sponsoring corporate Member not to disclose information received in relation to the charge and to give written undertaking to that effect	Not Compoundable	Not Compoundable									\$10,000