

## AMENDMENTS TO SGX-ST RULES

RULE	NEW / AMENDED RULES
3.2	<p><b>3.2 NON-LISTED SECURITIES</b></p> <p>[.]</p> <p>3.2.6 A contract note for a trade in a Non-Listed Security must state that the company:-</p> <p>(1) is not listed on SGX-ST, and</p> <p>(2) is not subject to SGX-ST's listing requirements.</p>
4.1	<p><b>4.1 ADMISSION CRITERIA</b></p> <p>4.1.1 To be eligible for admission as a Trading Member, an applicant must:-</p> <p>(1) <u>unless otherwise exempted, procure and maintain the requisite licence(s) from the Relevant Regulatory Authority, to engage in regulated activities, including where appropriate trading in futures contracts, as follows:</u></p> <p style="padding-left: 40px;">(a) <u>where it is <del>be</del> a Corporation carrying on business in Singapore, a capital markets services licence; or</u></p> <p style="padding-left: 40px;">(b) <u>where it is a Corporation not carrying on business in Singapore and not incorporated in Singapore, and it or its employees and agents does not engage in regulated activities in Singapore, a licence from a Relevant Regulatory Authority in the country where it is carrying on business. If SGX-ST is of the view that the regulatory requirements arising from the licence are not comparable to those contemplated under the Act and these Rules, it shall have the discretion to prescribe additional requirements;</u></p> <p>(2) be qualified by a Clearing Member (unless it is admitted as a Clearing Member);</p> <p>(3) satisfy the capital and financial requirements SGX-ST prescribes;</p> <p><del>(4) unless exempt under the Securities and Futures Act or the Securities and Futures Regulations, hold a capital markets services licence to engage in the relevant regulated activities, including where appropriate, trading in futures contracts;</del></p> <p><del>(45) upon admission, appoint at least 1 Approved Executive Director who has been approved by the Authority as an Executive Director in accordance with the Securities and Futures Act; and</del></p> <p><del>(56) have facilities and staff adequate for expeditious and orderly trading, operations and activities.</del></p>
4.2	<p><b>4.2 APPLICATION PROCEDURES</b></p> <p>4.2.1 To become a Trading Member, an applicant must apply to SGX-ST in the form SGX-ST prescribes.</p>

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4.2.2	4.2.2 The applicant must inform SGX-ST in writing of the Clearing Member who has agreed to qualify it (unless it is admitted as a Clearing Member). The applicant must submit to SGX-ST the documentation supporting the agreement.
4.2.3	4.2.3 SGX-ST may, in its absolute discretion, approve or reject an application to be a Trading Member. SGX-ST is not obliged to give any reasons.
4.2.4	<p>4.2.4 Without derogating from Rule 4.2.3, SGX-ST may reject an application to be a Trading Member if:—</p> <ol style="list-style-type: none"> <li>(1) the applicant does not provide information relating to the application as SGX-ST requires;</li> <li>(1A) any information or document that is furnished by the applicant to SGX-ST is false or misleading;</li> <li>(2) the applicant, its substantial shareholders or head office, is in the course of being wound up, or a resolution to do so is passed by shareholders, or a court order is made, to wind it up, whether in or out of Singapore;</li> <li>(3) execution against the applicant, its substantial shareholders or head office, in respect of a judgment debt has been returned unsatisfied in whole or in part, whether in or out of Singapore;</li> <li>(4) the applicant, its substantial shareholders or head office, has entered into an arrangement or composition with its creditors that is still in operation, whether in or out of Singapore;</li> <li>(5) a receiver, a receiver and manager, judicial manager or such other person having similar powers and duties, has been appointed, whether in or out of Singapore, in relation to any property of the applicant, its substantial shareholders or head office;</li> <li>(6) SGX-ST is not satisfied with the financial standing of the applicant, its substantial shareholders or head office;</li> <li>(7) SGX-ST is not satisfied with the manner in which the applicant's business is to be conducted;</li> <li>(8) the applicant, any of its Officers, substantial shareholders or head office breaches any provision involving fraud or dishonesty, whether in or out of Singapore;</li> <li>(9) the applicant, any of its Officers, substantial shareholders or head office has been convicted of an offence under the Securities and Futures Act <u>or any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</u>;</li> <li>(10) the applicant, any of its Officers, substantial shareholders or head office is the subject of an investigation involving an allegation of fraud or dishonesty, whether in or out of Singapore;</li> <li>(11) SGX-ST is not satisfied as to the educational or other qualification or experience of the Officers of the applicant;</li> <li>(12) SGX-ST is not satisfied with the applicant's record of past performance;</li> </ol>

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	<p>(13) SGX-ST is not satisfied that the applicant, any of its Officers, substantial shareholders or head office is a fit and proper person;</p> <p>(14) SGX-ST has reason to believe that the applicant or any of its Officers or employees may not perform the functions efficiently, honestly and fairly;</p> <p>(15) SGX-ST has reason to believe that the applicant may not act in the best interests of its customers; or</p> <p>(16) in SGX-ST's opinion, it would be contrary to the interests of the public to admit the applicant as a Trading Member.</p>
<b>4.5</b>	<p><b>4.5 TRADING RIGHTS</b></p> <p>4.5.1 A Trading Member has access to markets established or operated by SGX-ST or such markets as SGX-ST specifies.</p>
4.5.2	4.5.2 A Trading Member does not have the right to clear and settle contracts concluded on SGX-ST.
4.5.3	<p>4.5.3 <u>Subject to Rule 4.5.4, A-a</u> Trading Member may deal in securities or Futures Contracts for 1 or more of the following:-</p> <p>(1) customers;</p> <p>(2) its proprietary accounts; and</p> <p>(3) proprietary accounts of its related corporations or Associated Corporations.</p> <p><u>4.5.4 A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) shall not deal in securities or Futures Contracts for customers domiciled in Singapore.</u></p>
<b>4.5A</b>	<p><b>4.5A Direct Market Access</b></p> <p>4.5A.1 A Trading Member may authorise Direct Market Access for its customers in respect of markets established by or operated by SGX-ST or such markets as SGX-ST specifies.</p>
4.5A.2	<p>4.5A.2 Conditions Governing Direct Market Access</p> <p>(1) For every customer that a Trading Member authorises Direct Market Access for, the Trading Member must have measures in place for each customer to:—</p> <p>(a) meet minimum standards including standards on financial standing, credit history and criminal records, adverse records or pending court proceedings relating to prohibited market conduct;</p> <p>(b) have appropriate procedures in place to assure that all relevant persons:—</p> <p>(i) are familiar with and comply with these Rules;</p> <p>(ii) have knowledge and proficiency in the use of the order management system;</p> <p>(c) be provided information concerning its access to the Trading System and applicable laws;</p> <p>(d) be subject to a legally binding agreement governing the terms and conditions for</p>

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	<p>such Direct Market Access;</p> <p>(e) have security arrangements in place to ensure that unauthorised persons are denied such Direct Market Access; and</p> <p>(f) assist SGX-ST in any investigation into potential violations of these Rules and applicable laws. Such assistance shall be timely and shall include, but is not limited to, the provision of information to SGX-ST relating to the identity and address of any person who may be responsible for the execution of an order or trade.</p> <p>(2) Where a Trading Member permits the delegation of Direct Market Access by its authorised customer and any other persons, the Trading Member must include in the legally binding agreement referred to in Rule 4.5A.2(1)(d) the requirement for such customer and any other persons delegating Direct Market Access to ensure that all persons with Direct Market Access are subject to the requirements set out in Rules 4.5A.2(1)(a) to (f).</p> <p>(3) SGX-ST may require a Trading Member to provide to SGX-ST a report by an independent reviewer on the Member's compliance with Rules 4.5A.2, 4.5A.3 and 4.5A.4(2).</p>
4.5A.3	<p>4.5A.3 Conditions Governing Sponsored Access</p> <p>(1) Where a Trading Member authorises Sponsored Access for its customers, in addition to the requirements set out in Rule 4.5A.2, the Trading Member must:—</p> <p>(a) maintain a register recording the identity and address of all customers with Sponsored Access;</p> <p>(b) produce to SGX-ST the register referred to in Rule 4.5A.3(1)(a) at such time as SGX-ST requires; and</p> <p>(c) have measures in place for each customer to comply with the requirements set out in Rule 4.6.22, Rule 12.1.1, Directive No. 4, Directive No.5 and any other requirement set out by SGX-ST relating to the order management system.</p> <p>(2) Where a Trading Member permits the delegation of Sponsored Access by its authorised customer and any other persons:—</p> <p>(a) the Trading Member must have measures to ensure that the authorised customer and any other persons delegating Sponsored Access:</p> <p>(i) are persons regulated by a recognised regulatory authority in respect of any regulated activity; or</p> <p>(ii) where such persons are not regulated in accordance with Rule 4.5A.3(2)(a)(i), that such persons are Trading Members of SGX-ST, and that such persons shall only be permitted to delegate Sponsored Access to their related corporations; and</p> <p>(b) the Trading Member must include in the legally binding agreement referred to in Rule 4.5A.2(1)(d) the requirement for such customer and any other persons delegating Sponsored Access to ensure that all persons with Sponsored Access are included in the register referred to in Rule 4.5A.3(1)(a) and subject to the requirements set out in Rule 4.5A.3(1)(c).</p>

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	<p>For the purpose of this Rule 4.5A.3, "recognised regulatory authority" refers to a signatory to the International Organization of Securities Commissions' Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information, and "regulated activity" shall have the same meaning as in the Securities and Futures Act.</p>
4.5A.4	<p><b>4.5A.4 Suspension and Termination of Direct Market Access</b></p> <p>(1) SGX-ST may suspend or terminate, or direct a Trading Member to suspend or terminate a person's Direct Market Access:—</p> <p>(a) where the person has failed to assist SGX-ST with an investigation in accordance with Rule 4.5A.2(1)(f);</p> <p>(b) in the interest of a fair, orderly and transparent market; or</p> <p>(c) where the person has caused the Trading Member to breach requirements in the Rules.</p> <p>(2) A Trading Member must have the ability to immediately suspend or terminate a person's Direct Market Access when necessary for the fulfillment of its duties under Rule 4.6.4 or any other reason.</p>
4.6	<p><b>4.6 Obligations of A Trading Member</b></p> <p><b>4.6.1 Compliance</b></p> <p>A Trading Member must:—</p> <p>(1) comply with the Rules, and any Directives SGX-ST prescribes; and</p> <p>(2) continue to satisfy the admission criteria.</p>
4.6.2	<p><b>4.6.2 Acts as Principal</b></p> <p>A Trading Member contracts as principal as regards the other Trading Member when it trades on SGX-ST.</p>
4.6.3	<p><b>4.6.3 Contracts</b></p> <p>(1) A Trading Member enters contracts in accordance with the Rules, Clearing Rules and any Directives SGX-ST prescribes.</p> <p>(2) A Trading Member must honour all contracts:—</p> <p>(a) entered by or through it on the Trading System; and</p> <p>(b) via Direct Business.</p>
4.6.4	<p><b>4.6.4 Good Business Practice</b></p> <p>A Trading Member must adhere to the principles of good business practice in the conduct of its business.</p>
4.6.5	<p><b>4.6.5 Responsibility to SGX-ST</b></p>

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RULE	NEW / AMENDED RULES
	<p>A Trading Member is responsible to SGX-ST for:—</p> <ol style="list-style-type: none"> <li data-bbox="384 327 1485 387">(1) any liability to SGX-ST of its Directors, Officers, Trading Representatives, employees and agents; and</li> <li data-bbox="384 421 1485 481">(2) the acts and omissions of its Directors, Officers, Trading Representatives, employees and agents.</li> </ol>
4.6.6	<p><b>4.6.6 Supervision</b></p> <p>A Trading Member must supervise its Trading Representatives, employees and agents.</p>
4.6.7	<p><b>4.6.7 Establish Procedures and Systems</b></p> <p>A Trading Member must:—</p> <ol style="list-style-type: none"> <li data-bbox="384 768 1485 828">(1) establish and maintain procedures and systems to prevent any breach of the Rules and Directives by its Directors, Officers, Trading Representatives, employees or agents;</li> <li data-bbox="384 862 1485 922">(2) establish and maintain adequate internal control systems, including for reconciliation of physical scrip <a href="#">for securities traded on SGX-ST</a> at least monthly; and</li> <li data-bbox="384 956 1485 1039">(3) ensure that its Trading Representatives, employees, agents or any other person carrying out or enforcing its procedures and systems reasonably discharges his or her duties and obligations.</li> </ol>
4.6.7A	<p><b>4.6.7A Risk Management and Financial Controls</b></p> <ol style="list-style-type: none"> <li data-bbox="384 1137 1485 1198">(1) A Trading Member must have written policies and procedures on risk management controls and demonstrate compliance in the following areas:— <ol style="list-style-type: none"> <li data-bbox="448 1232 1485 1292">(a) monitoring the credit risks arising from the acceptance of all orders on at least a daily basis;</li> <li data-bbox="448 1326 1485 1561">(b) ensuring that: <ol style="list-style-type: none"> <li data-bbox="504 1382 1485 1442">(i) automated pre-execution risk management control checks are conducted on all orders, including credit control checks on all orders;</li> <li data-bbox="504 1476 1485 1561">(ii) there are appropriate internal controls for the setting and modification of any parameters of such automated pre-execution risk management control checks;</li> </ol> </li> <li data-bbox="448 1594 1485 1655">(c) having error-prevention alerts to bring attention to possible erroneous entries of quantity, price and other data fields; and</li> <li data-bbox="448 1688 1485 1749">(d) defining and managing the Trading Member's sources of liquidity to ensure that there are sufficient liquidity facilities to meet settlement obligations.</li> </ol> </li> <li data-bbox="384 1783 1485 1899">(2) A Trading Member referred to in Rule 4.6.7A(1) must have automated processes in place to monitor at the firm level if the Trading Member is at risk of breaching capital and financial requirements and prudential limits on exposures to a single customer and a single security, so as to restrict trading activity or inject additional capital if necessary.</li> </ol>
4.6.8	<p><b>4.6.8 Change in Control</b></p>

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	<p>(1) A Trading Member must inform SGX-ST in writing as soon as it becomes aware of:—</p> <p>(a) any transaction that will result in a change in the legal or beneficial ownership of 20% or more of the Trading Member's issued share capital, and any subsequent increase of 5% or more of the Trading Member's issued share capital; or</p> <p>(b) any change that may have the effect of altering control of the Trading Member.</p> <p>(2) If control of a Trading Member changes, SGX-ST may restrict or revoke the Trading Member's trading rights on any grounds described in Rules 4.2.4(2) to (6), (8) to (10) and (13).</p> <p>(3) If SGX-ST revokes the Trading Member's trading rights, the Trading Member may, within 14 days after it is notified of SGX-ST's decision, appeal in writing to the Board whose decision will be final.</p>
4.6.9	<p><b>4.6.9 Reporting</b></p> <p>A Trading Member must inform SGX-ST in writing immediately if it or any of its Directors, Officers, Trading Representatives, employees, or agents:-</p> <p>(1) breaches the Securities and Futures Act or Securities and Futures Regulations <u>or any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</u>;</p> <p>(2) breaches the Rules or Directives;</p> <p>(3) breaches any relevant law or regulation which governs that person's other business activities;</p> <p>(4) breaches the rules of any other exchange;</p> <p>(5) breaches any provision involving fraud or dishonesty, whether in or out of Singapore;</p> <p>(6) breaches director's duties;</p> <p>(7) is the subject of a written complaint involving an allegation of fraud or dishonesty, whether in or out of Singapore;</p> <p>(8) is the subject of an investigation involving an allegation of fraud or dishonesty, whether in or out of Singapore;</p> <p>(9) is the subject of any disciplinary action taken by the Trading Member involving suspension, termination, withholding of commissions, fines or any other significant limitation of activities;</p> <p>(10) engages in conduct that has the effect of circumventing the Securities and Futures Act, Securities and Futures Regulations, <u>any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</u>, the Rules, or Directives;</p> <p><u>(10A) has had its licence to conduct the relevant regulated activities suspended, revoked, or expired, or in the case where it is exempted from holding a licence, the Relevant Regulatory Authority withdraws the exemption or imposes conditions or restrictions on it in respect of the relevant regulated activities;</u></p>

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	<p>(11) engages in conduct which is inconsistent with the principles of good business practice;</p> <p>(12) engages in conduct detrimental to the financial integrity, reputation or interests of SGX-ST, or markets established or operated by SGX-ST; or</p> <p>(13) is insolvent, or has been issued a bankruptcy or winding up proceeding.</p> <p><del>(14) has had its licence from or registration with the Relevant Regulatory Body for the conduct of relevant regulated activities revoked or the exemption from holding such licence or registration withdrawn, or where such licence or registration has expired; [Deleted.]</del></p> <p><u>Notwithstanding the foregoing, SGX-ST may require a Trading Member to inform SGX-ST from time to time in respect of any other matters and in such form as SGX-ST determines.</u></p>
4.6.10	<p><b>4.6.10 Payment</b></p> <p>A Trading Member must pay SGX-ST all fees, levies and charges SGX-ST prescribes. SGX-ST may reduce or waive any fee, levy or charge.</p>
4.6.11	<p><b>4.6.11 Approved Executive Director</b></p> <p>A Trading Member must inform SGX-ST in writing at least 7 days before an Approved Executive Director ceases to act. If the cessation is with immediate effect, the Trading Member must inform SGX-ST in writing the same day.</p>
4.6.12	<p><b>4.6.12 Directors</b></p> <p>A Trading Member must inform SGX-ST in writing of a change in the composition of its board of Directors within 7 days of the change.</p>
4.6.13	<p><b>4.6.13 Trading Representatives</b></p> <p>A Trading Member must:—</p> <ol style="list-style-type: none"> <li>(1) register with SGX-ST persons who deal in securities or trade in Futures Contracts as Trading Representatives (unless exempted by SGX-ST);</li> <li>(2) where it engages a Remisier, enter into a written agency agreement with that Remisier. The agreement must address the following:— <ol style="list-style-type: none"> <li>(a) the amount of commission payable to the Remisier;</li> <li>(b) the amount of security deposit to be given by the Remisier to the Trading Member;</li> <li>(c) responsibility for any losses or liabilities as a result of any acts or omissions of the Remisier; and</li> <li>(d) charges that may be levied by the Trading Member on its Remisier;</li> </ol> </li> <li>(3) inform SGX-ST in writing at least 7 days before a dealer converts to a Remisier or vice versa. SGX-ST may vary or waive the notice period; and</li> <li>(4) [Deleted.]</li> <li>(5) [Deleted.]</li> </ol>

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	<p>(6) inform SGX-ST in writing no later than the day on which the Trading Representative ceases to act. If the cessation is with immediate effect, the Trading Member must inform SGX-ST in writing the same day.</p>
4.6.14	<p><b>4.6.14 Memorandum and Articles of Association</b></p> <p>A Trading Member must inform SGX-ST in writing at least 7 days before any change to its Memorandum and Articles of Association takes effect.</p>
4.6.15	<p><b>4.6.15 Other Businesses</b></p> <p>(1) A Trading Member must inform SGX-ST in writing at least 14 days before it engages in, or holds any substantial shareholding in, any other business.</p> <p>(2) A Trading Member must ensure that the engagement (and any actions taken under it) or shareholding does not breach the Securities and Futures Act, Securities and Futures Regulations, the Rules, any Directives or any relevant law or regulation.</p> <p>(3) A Trading Member must supply SGX-ST with any information SGX-ST requires regarding the engagement or acquisition of shareholding.</p> <p>(4) If SGX-ST objects to the engagement or acquisition of shareholding, a Trading Member must not proceed with it. SGX-ST may extend the period specified in Rule 4.6.15(1). If extended, the Trading Member must not proceed with the engagement or acquisition of shareholding before the expiry of the extended period.</p> <p>(5) If an engagement or shareholding, in SGX-ST's opinion, is detrimental to the financial integrity, reputation or interests of SGX-ST, the Trading Member concerned, or markets established or operated by SGX-ST, SGX-ST may require the Trading Member to end it.</p> <p>(6) If SGX-ST objects to the engagement or acquisition of shareholding or requires a Trading Member to end it, the Trading Member may, within 14 days after it is notified of SGX-ST's decision, appeal in writing to the Board whose decision will be final.</p>
4.6.16	<p><b>4.6.16 Register of Securities</b></p> <p>(1) A Trading Member <u>that holds a capital markets services licence</u> must maintain a register of securities in accordance with the Securities and Futures Act. The register must include Futures Contracts.</p> <p>(2) If asked by SGX-ST, a Trading Member must produce the register for inspection.</p> <p>(3) A Trading Member must permit SGX-ST to take extracts of the register.</p>
4.6.17	<p><b>4.6.17 Business Name</b></p> <p>A Trading Member must inform SGX-ST in writing at least 7 days before it effects any change in its business name or contact details.</p>
4.6.18	<p><b>4.6.18 Issue of Shares</b></p> <p>A Trading Member must not issue or allot partly paid shares.</p>
4.6.19	<p><b>4.6.19 Voluntary Liquidation</b></p>

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	<p>A Trading Member must not commence voluntary liquidation without the prior written approval of SGX-ST.</p>
4.6.20	<p><b>4.6.20 Trading Member Ceases to Carry on Business</b></p> <ol style="list-style-type: none"> <li>(1) Upon written request, SGX-ST may allow a Trading Member to cease carrying on business while retaining its membership for such period as SGX-ST specifies. Upon expiry of such period, the Trading Member must recommence business in Singapore.</li> <li>(2) During the period of cessation of business, the Trading Member must not hold itself out or engage in any act that may give the impression that it is an active Trading Member.</li> <li>(3) SGX-ST will waive continuing compliance of Rules 4.1.1(1), <del>(4)</del> and <del>(6)</del> <u>(5)</u> during the period the Trading Member ceases to carry on business.</li> </ol>
4.6.21	<p><b>4.6.21 Business Continuity Requirements</b></p> <p><del>The following requirements apply:</del></p> <ol style="list-style-type: none"> <li>(1) <del>a</del> <u>A Trading</u> Member must assess its business and operational risks and maintain adequate business continuity arrangements.</li> <li>(2) <del>a</del> <u>A Trading</u> Member must document its business continuity arrangements in a business continuity plan.</li> <li>(3) <del>a</del> <u>A Trading</u> Member's senior management shall be responsible for the <u>Trading</u> Member's business continuity plan. Sufficient awareness of the risks, mitigating measures and state of readiness must be demonstrated by way of an attestation to the <u>Trading</u> Member's Board of Directors. <u>A Trading Member that holds a licence specified in Rule 4.1.1(b) shall comply with such requirements established by the Relevant Regulatory Authority, if any, and principles of good business practice in relation to this Rule 4.6.21(3).</u></li> <li>(4) <del>a</del> <u>A Trading</u> Member must review and test its business continuity plan regularly.</li> <li>(5) <del>a</del> <u>A Trading</u> Member must appoint emergency contact persons, and furnish the contact information of such persons to SGX-ST. The <u>Trading</u> Member's emergency contact persons must be contactable at all times, and must immediately notify SGX-ST in the event of emergencies.</li> </ol>
4.6.22	<p><b>4.6.22 Adequacy of Systems</b></p> <p>A Trading Member must ensure that its systems and connections to the Trading System operate properly, and have adequate and scalable capacity to accommodate trading volume levels.</p>
4.9	<p><b>4.9 CESSATION OF TRADING ACCESS</b></p> <p>4.9.1 A Trading Member's access to markets established or operated by SGX-ST ceases if:—</p> <ol style="list-style-type: none"> <li>(1) a resolution is passed by its shareholders, or a court order is made, to wind it up;</li> <li>(2) an arrangement or composition is entered into with its creditors under any law relating to bankruptcy or insolvency;</li> </ol>

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	<p>(3) it is not qualified by a Clearing Member or its qualification by a Clearing Member has been suspended;</p> <p>(4) it is suspended;</p> <p>(5) it ceases to carry on business pursuant to Rule 4.6.20;</p> <p>(6) it is declared a defaulter pursuant to Chapter 14; or</p> <p>(7) its <u>licence(s) to conduct the relevant regulated activities from the Relevant Regulatory Authority lapses or is revoked, or in the case where it is exempted from holding a licence, the Relevant Regulatory Authority withdraws the exemption capital markets services licence lapses or is revoked, or its exemption from holding a capital markets services licence is withdrawn.</u></p>
4.9.2	4.9.2 SGX-ST will notify all Trading Members of the effective date of cessation and the date of reinstatement (if applicable).
4.9.3	4.9.3 A Trading Member whose access to markets established or operated by SGX-ST has ceased must continue to comply with the relevant Rules, and any Directives.
<b>5.2</b>	<p><b>5.2 APPLICATION PROCEDURES</b></p> <p>5.2.1 To become a Designated Market-Maker in respect of Specified Securities, an applicant must apply to SGX-ST in the form SGX-ST prescribes.</p>
5.2.2	5.2.2 SGX-ST may, in its absolute discretion, approve or reject an application to be a Designated Market-Maker. SGX-ST is not obliged to give any reasons.
5.2.3	5.2.3 The approval of a Designated Market-Maker is valid for such period as SGX-ST prescribes.
5.2.4	<p>5.2.4 Without derogating from Rule 5.2.2, SGX-ST may reject an application to be a Designated Market-Maker if:—</p> <p>(1) the applicant does not provide information relating to the application as SGX-ST requires;</p> <p>(1A) any information or document that is furnished by the applicant to SGX-ST is false or misleading;</p> <p>(2) the applicant, its substantial shareholder or head office, is in the course of being wound up, or a resolution to do so is passed by shareholders, or a court order is made, to wind it up, whether in or out of Singapore;</p> <p>(3) execution against the applicant, its substantial shareholder or head office, in respect of a judgment debt has been returned unsatisfied in whole or in part, whether in or out of Singapore;</p> <p>(4) the applicant, its substantial shareholder or head office, has entered into an arrangement or composition with its creditors that is still in operation, whether in or out of Singapore;</p> <p>(5) a receiver, a receiver and manager, judicial manager or such other person having similar powers and duties, has been appointed, whether in or out of Singapore, in relation to any property of the applicant, its substantial shareholders or head office;</p> <p>(6) SGX-ST is not satisfied with the financial standing of the applicant, its substantial</p>

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	<p>shareholders or head office;</p> <p>(7) SGX-ST is not satisfied with the manner in which the applicant's business is to be conducted;</p> <p>(8) the applicant, any of its substantial shareholders or head office breaches any provision involving fraud or dishonesty, whether in or out of Singapore;</p> <p>(9) the applicant, any of its substantial shareholders or head office has been convicted of an offence under the Securities and Futures Act <a href="#">or any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</a>;</p> <p>(10) the applicant, any of its substantial shareholders or head office is the subject of an investigation involving an allegation of fraud or dishonesty, whether in or out of Singapore;</p> <p>(11) SGX-ST is not satisfied with the applicant's record of past performance;</p> <p>(12) SGX-ST is not satisfied that the applicant, any of its substantial shareholders or head office is a fit and proper person;</p> <p>(13) SGX-ST has reason to believe that the applicant may not perform the functions efficiently, honestly and fairly;</p> <p>(14) SGX-ST has reason to believe that the applicant may not act in the best interests of its customers;</p> <p>(15) the applicant, unless exempted, does not procure and maintain the requisite licence(s) with the Authority;</p> <p>(16) the applicant is not regulated in a jurisdiction with regulatory standards comparable to those contemplated under the Securities and Futures Act and these Rules;</p> <p>(17) the applicant is not regulated in a jurisdiction where the regulator or supervisory authority has information sharing and co-operation arrangements with the Authority; or</p> <p>(18) in SGX-ST's opinion, it would be contrary to the interests of the public to register the applicant as a Designated Market-Maker.</p>
5.5.2	<p><b>5.5.2 Proprietary Accounts</b></p> <p>A Designated Market-Maker may make a market in Specified Securities for 1 or more of the following:—</p> <p>(1) its proprietary accounts;</p> <p>(2) proprietary accounts of its related corporations or Associated Corporations; and</p> <p>(3) customers if it holds a capital markets services licence or is exempt under the Securities and Futures Act or Securities and Futures Regulations.</p> <p>In this Rule, an Associated Corporation means any body corporate formed in or out of Singapore in which the Designated Market-Maker and its related corporations hold directly or indirectly a beneficial interest of not less than 20% of the issued share capital.</p>
6.1	<p><b>6.1 APPOINTMENT AND REGISTRATION</b></p>

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RULE	NEW / AMENDED RULES
	<p>6.1.1 (1) A Trading Member must appoint at least 1 person as Approved Executive Director <u>to be registered with SGX-ST. SGX-ST may, in its absolute discretion refuse to register an appointed person as an Approved Executive Director. SGX-ST is not obliged to give any reasons.</u></p> <p>(2) <u>Subject to Rule 6.1.1(2A), the</u> <del>The</del> Approved Executive Director must be approved by the Authority as an Executive Director in accordance with the Securities and Futures Act.</p> <p><u>(2A) Where the Trading Member does not hold a capital markets services licence, it shall appoint a fit and proper person that is a senior management responsible for the Trading Member's business activities on SGX-ST for which it holds a licence specified in Rule 4.1.1(b) as an Approved Executive Director.</u></p> <p>(3) <del>SGX-ST will register an Approved Executive Director.</del> The Approved Executive Director is to be responsible for ensuring that the Trading Member complies with the Rules, and any Directives <u>that</u> SGX-ST prescribes.</p>
6.1.2	6.1.2 Upon registration, an Approved Executive Director is deemed to have agreed to be bound by the Rules, or any Directives SGX-ST prescribes.
6.2.3	<p><b>6.2.3 Other Businesses</b></p> <p>(1) An Approved Executive Director must inform SGX-ST in writing at least 14 days before he or she engages in, or holds any substantial shareholding in, any other business that might potentially conflict with being an Approved Executive Director. The Approved Executive Director must ensure that the proposed engagement or shareholding is agreed to by his or her Trading Member.</p> <p>(2) The engagement (and any actions taken under it) or shareholding must not breach the Securities and Futures Act, Securities and Futures Regulations, the Rules, any Directives or any relevant law or regulation.</p> <p>(3) An Approved Executive Director must supply SGX-ST with any information it requires regarding the engagement or acquisition of shareholding.</p> <p>(4) If SGX-ST objects to the engagement or acquisition of shareholding, an Approved Executive Director must not proceed with it. SGX-ST may extend the period specified in Rule 6.2.3(1). If extended, the Approved Executive Director must not proceed with the engagement or acquisition of shareholding before the expiry of the extended period.</p> <p>(5) If an engagement or shareholding, in SGX-ST's opinion, is detrimental to the financial integrity, reputation or interests of SGX-ST, the principal Trading Member or its customers, SGX-ST may require the Approved Executive Director to end it.</p> <p>(6) If SGX-ST objects to the engagement or acquisition of shareholding or requires an Approved Executive Director to end it, the Approved Executive Director may, within 14 days after it is notified of SGX-ST's decision, appeal in writing to the Board whose decision will be final.</p>
6.3	<p><b>6.3 AUTOMATIC DE-REGISTRATION</b></p> <p>6.3.1 An Approved Executive Director will automatically cease to be registered as an Approved Executive Director if he or she:-</p> <p>(1) becomes of unsound mind;</p>

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RULE	NEW / AMENDED RULES
	<p>(2) is made bankrupt, whether in or out of Singapore;</p> <p>(3) is disqualified from holding office as a Director under the Securities and Futures Act, <del>or</del> the Companies Act (Cap. 50) <u>or any other relevant applicable laws</u>;</p> <p>(4) ceases to be an Executive Director <u>or senior management responsible for the Trading Member's business activities on SGX-ST</u> of the Trading Member;</p> <p>(5) is subject to a compromise or scheme of arrangement with his or her creditors, whether in or out of Singapore;</p> <p>(6) has execution in respect of a judgment debt returned unsatisfied in whole or in part; or</p> <p>(7) breaches any provision involving fraud or dishonesty, whether in or out of Singapore.</p>
7.1	<p><b>7.1 REGISTRATION CRITERIA</b></p> <p>7.1.1 To be eligible for registration as a Trading Representative, an applicant must:-</p> <p>(1) be at least 21 years old;</p> <p>(2) be a fit and proper* person;</p> <p>(3) possess a good track record of business conduct (if applicable);</p> <p>(4) <u>hold a licence from or be registered with the Relevant Regulatory Authority for the conduct of relevant regulated activities, unless exempted, and whose licence or registration is not suspended, revoked or expired. If SGX-ST is of the view that the regulatory requirements arising from the licence and registration are not comparable to those contemplated under the Act and this Rules, it shall have the discretion to prescribe additional requirements unless exempt under the Securities and Futures Act or the Securities and Futures Regulations, be entered in the Public Register of Representatives as an appointed representative, provisional representative or temporary representative in respect of the relevant activities, including, where appropriate, trading in futures contracts, and whose status as an appointed representative, provisional representative, or temporary representative is not suspended or revoked</u>;</p> <p>(5) not be a person whose registration or licence has previously been revoked by an exchange or a regulatory body, whether in or out of Singapore; and</p> <p>(6) not be an undischarged bankrupt, whether in or out of Singapore.</p>
7.2	<p><b>7.2 APPLICATION PROCEDURES</b></p> <p>7.2.1 To become a Trading Representative, an applicant must apply to SGX-ST in the form SGX-ST prescribes. The application must be supported by a Trading Member as his or her principal.</p>
7.2.2	7.2.2 SGX-ST may, in its absolute discretion, approve or reject an application to be a Trading Representative. SGX-ST is not obliged to give any reasons.
7.2.3	7.2.3 In approving an application to be a Trading Representative, SGX-ST may consult the <u>Relevant Regulatory</u> Authority.
7.2.4	7.2.4 Without derogating from Rule 7.2.2, SGX-ST may reject an application to be a Trading Representative if:-

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RULE	NEW / AMENDED RULES
	<p>(1) the applicant does not provide information relating to the application as SGX-ST requires;</p> <p>(1A) any information or document that is furnished by the applicant to SGX-ST is false or misleading;</p> <p>(2) execution against the applicant in respect of a judgment debt has been returned unsatisfied in whole or in part;</p> <p>(3) the applicant has entered into an arrangement with his or her creditors that is still in operation, whether in or out of Singapore;</p> <p>(4) SGX-ST is not satisfied with the financial standing of the applicant;</p> <p>(5) the applicant breaches any provision involving fraud or dishonesty, whether in or out of Singapore;</p> <p>(6) the applicant has been convicted of an offence under the Securities and Futures Act <u>or any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</u>;</p> <p>(7) the applicant is the subject of an investigation involving an allegation of fraud or dishonesty, whether in or out of Singapore;</p> <p>(8) SGX-ST is not satisfied that he or she is a fit and proper person;</p> <p>(9) SGX-ST has reason to believe that the applicant may not perform the functions efficiently, honestly and fairly;</p> <p>(10) SGX-ST has reason to believe that the applicant may not act in the best interests of the Trading Member or the Trading Member's customers; or</p> <p>(11) in SGX-ST's opinion, it would be contrary to the interests of the public to register the applicant as a Trading Representative.</p>
7.5	<p><b>7.5 OBLIGATIONS OF A TRADING REPRESENTATIVE</b></p> <p><b>7.5.1 Compliance</b></p> <p>A Trading Representative must comply with the Rules, and any Directives SGX-ST prescribes.</p>
7.5.2	<p><b>7.5.2 Acting for a Trading Member</b></p> <p>A Trading Representative must act for only 1 Trading Member.</p>
7.5.3	<p><b>7.5.3 Good Business Practice</b></p> <p>A Trading Representative must adhere to the principles of good business practice in the conduct of his or her business affairs.</p>
7.5.4	<p><b>7.5.4 Payment of Fees</b></p> <p>A Trading Representative must pay SGX-ST all fees, levies and charges as SGX-ST</p>

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RULE	NEW / AMENDED RULES
	prescribes. SGX-ST may reduce or waive any fee, levy or charge.
7.5.5	<p><b>7.5.5 Register of Securities</b></p> <p>(1) A Trading Representative <u>sponsored by a Trading Member that holds a capital markets services licence</u> must maintain a register of securities in accordance with the Securities and Futures Act. The register must include Futures Contracts.</p> <p>(2) If asked by SGX-ST, a Trading Representative must produce the register for inspection.</p> <p>(3) A Trading Representative must permit SGX-ST to take extracts of the register.</p>
7.5.6	<p><b>7.5.6 Other Businesses</b></p> <p>(1) A Trading Representative must inform SGX-ST in writing at least 14 days before he or she engages in, or holds any substantial shareholding in, any other business that might potentially conflict with being a Trading Representative. The Trading Representative must ensure that the proposed engagement or shareholding is agreed to by his or her Trading Member.</p> <p>(2) The engagement (and any actions taken under it) or shareholding must not breach the Securities and Futures Act, Securities and Futures Regulations, the Rules, any Directives or any relevant law or regulation.</p> <p>(3) A Trading Representative must supply SGX-ST with any information it requires regarding the engagement or acquisition of shareholding.</p> <p>(4) If SGX-ST objects to the engagement or acquisition of shareholding, a Trading Representative must not proceed with it. SGX-ST may extend the period specified in Rule 7.5.6(1). If extended, the Trading Representative must not proceed with the engagement or acquisition of shareholding before the expiry of the extended period.</p> <p>(5) If an engagement or shareholding, in SGX-ST's opinion, is detrimental to the financial integrity, reputation or interests of SGX-ST, the principal Trading Member or its customers, SGX-ST may require the Trading Representative to end it.</p> <p>(6) If SGX-ST objects to the engagement or acquisition of shareholding or requires a Trading Representative to end it, the Trading Representative may, within 14 days after it is notified of SGX-ST's decision, appeal in writing to the Board whose decision will be final.</p>
7.5.7	<p><b>7.5.7 Contact Details</b></p> <p>A Trading Representative must inform SGX-ST in writing of any change in his or her residential or mailing address or contact numbers within 7 days of the change.</p>
7.6	<p><b>7.6 Remisier's Deposit</b></p> <p>7.6.1 A Remisier must give a deposit of at least \$30,000 to the Trading Member. It must be in the form of cash, Marketable Securities or a guarantee from a bank or financial institution operating in Singapore.</p>
7.6.2	<p>7.6.2 A Trading Member may require a Remisier to increase the amount of deposit or restrict the Remisier's volume of business if, in the Trading Member's opinion, the deposit is not enough for the volume of business transacted by the Remisier.</p>

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RULE	NEW / AMENDED RULES																						
7.7	<p><b>7.7 AUTOMATIC DE-REGISTRATION</b></p> <p>7.7.1 A Trading Representative will automatically cease to be registered as a Trading Representative if he or she:-</p> <ol style="list-style-type: none"> <li>(1) becomes of unsound mind;</li> <li>(2) is made bankrupt, whether in or out of Singapore;</li> <li>(3) is subject to a compromise or scheme of arrangement with his or her creditors, whether in or out of Singapore;</li> <li>(4) has execution in respect of a judgment debt returned unsatisfied in whole or in part;</li> <li>(5) breaches any provision involving fraud or dishonesty, whether in or out of Singapore;</li> <li>(6) <del>ceases to be an appointed representative, provisional representative or temporary representative in respect of the relevant activities, as contemplated under the Securities and Futures Act; has had his or her licence from or registration with the Relevant Regulatory Authority revoked, or his or her licence from or registration with the Relevant Regulatory Authority has expired; or</del></li> <li>(7) <del>in the case of a Trading Representative who is exempted from licensing or registration, has had his or her exemption from the Relevant Regulatory Authority withdrawn has had his or her exemption from registration in the Public Register of Representatives as an appointed representative, provisional representative or temporary representative in respect of the relevant activities withdrawn.</del></li> </ol>																						
<u>7.7.2</u>	<u>7.7.2 The Exchange may terminate the registration of a Trading Representative if the Relevant Regulatory Authority imposes conditions or restrictions on the Trading Representative in respect of the relevant regulated activities.</u>																						
10.4	<p><b>10.4 ROLE AND RESPONSIBILITIES OF SGX-SPV</b></p> <p>[.]</p> <p>10.4.7 (1) The following Rules do not apply to SGX-SPV:-</p> <table border="1" data-bbox="443 1435 1465 1962"> <thead> <tr> <th>Rule</th> <th>Heading</th> </tr> </thead> <tbody> <tr> <td>4.1.1</td> <td>Admission Criteria (as a Trading Member)</td> </tr> <tr> <td>4.6.1(2)</td> <td>Compliance (with admission criteria)</td> </tr> <tr> <td>4.6.5</td> <td>Responsibility to SGX-ST</td> </tr> <tr> <td>4.6.11</td> <td>Approved Executive Director</td> </tr> <tr> <td>4.6.12</td> <td>Directors</td> </tr> <tr> <td>4.6.14</td> <td>Memorandum and Articles of Association</td> </tr> <tr> <td>4.6.17</td> <td>Business Name</td> </tr> <tr> <td>4.6.18</td> <td>Issue of Shares</td> </tr> <tr> <td>4.6.19</td> <td>Voluntary Liquidation</td> </tr> <tr> <td>6.1-6.5</td> <td>Approved Executive Director</td> </tr> </tbody> </table>	Rule	Heading	4.1.1	Admission Criteria (as a Trading Member)	4.6.1(2)	Compliance (with admission criteria)	4.6.5	Responsibility to SGX-ST	4.6.11	Approved Executive Director	4.6.12	Directors	4.6.14	Memorandum and Articles of Association	4.6.17	Business Name	4.6.18	Issue of Shares	4.6.19	Voluntary Liquidation	6.1-6.5	Approved Executive Director
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	<p data-bbox="284 1104 549 1137"><b>11.1 DEFINITIONS</b></p> <p data-bbox="284 1171 560 1205">11.1.1 In this Chapter,</p> <p data-bbox="379 1234 740 1267">"Aggregate resources" means</p> <p data-bbox="379 1296 1485 1391">(1) in the case of a Trading Member incorporated in Singapore, its financial resources (including qualifying letters of credit referred to in Rule 11.2.11) less its total risk requirement; and</p> <p data-bbox="379 1420 1485 1514">(2) in the case of a Trading Member incorporated outside Singapore <u>that holds a capital markets services licence</u>, its adjusted net head office funds (including qualifying letters of credit referred to in Rule 11.2.11) less its total risk requirement.</p> <p data-bbox="379 1543 1485 1608"><u>"Net liquid capital" means the financial resources of a Trading Member that holds a licence specified in Rule 4.1.1(1)(b) computed under such methodology prescribed by SGX-ST.</u></p>																										
New Rule	<p data-bbox="284 1637 1066 1671"><b><u>11.1A FINANCIAL REQUIREMENT FOR TRADING MEMBERS</u></b></p> <p data-bbox="284 1700 1166 1733"><u>11.1A.1 The following requirements apply in relation to Trading Members:-</u></p> <p data-bbox="379 1762 1485 1827"><u>(1) a Trading Member that holds a capital markets services licence shall at all times meet the base capital requirements prescribed under Rule 11.2;</u></p> <p data-bbox="379 1856 1485 1921"><u>(2) a Trading Member that holds a licence specified in Rule 4.1.1(1)(b) shall at all times meet the net liquid capital requirements prescribed under Rule 11.2A; and</u></p> <p data-bbox="379 1951 1485 2000"><u>(3) all Trading Members shall meet such capital, financial and other requirements that SGX-ST may impose under Rule 11.5.</u></p>																										

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RULE	NEW / AMENDED RULES
11.2	<p><b>11.2 BASE CAPITAL REQUIREMENT</b></p> <p><u>This Rule 11.2 shall apply to a Trading Member that holds a capital markets services licence.</u></p> <p>11.2.1 A Trading Member shall not cause or permit:-</p> <ol style="list-style-type: none"> <li>(1) where the Corporation is incorporated in Singapore, its base capital; or</li> <li>(2) where the Corporation is incorporated outside Singapore, its net head office funds, to fall below the base capital requirement.</li> </ol>
11.2.2	<p>11.2.2 The base capital requirement of:—</p> <ol style="list-style-type: none"> <li>(1) a Trading Member shall be at least \$1 million,</li> <li>(2) a Clearing Member shall be at least \$5 million,</li> <li>(3) a Clearing Member which is also a member of SGX-DC shall be at least \$8 million.</li> </ol>
11.2.3	<p>11.2.3 If a Trading Member fails to comply or becomes aware that it will fail to comply with the base capital requirement prescribed under Rule 11.2, or such higher base capital requirement as SGX-ST may have imposed under Rule 11.5, it shall immediately notify SGX-ST.</p>
11.2.4	<p>11.2.4 Regardless whether or not there has been any notification by a Trading Member under Rule 11.2.3, if the base capital or net head office funds of the Trading Member, as the case may be, is/are below the base capital requirement prescribed under Rule 11.2 or such higher base capital requirement as SGX-ST may have imposed under Rule 11.5, it shall be deemed a breach of a provision of the SGX-ST Rules by the Trading Member.</p> <p>SGX-ST may refer the matter to the Disciplinary Committee, and may take such interim control measures, including but not limited to do all or any of the following, as SGX-ST deems fit and appropriate:-</p> <ol style="list-style-type: none"> <li>(1) require the Trading Member to operate its business subject to such restrictions or conditions as SGX-ST decides;</li> <li>(2) suspend the Trading Member for a period SGX-ST decides. The suspension may be announced to all Trading Members. During the suspension, the Trading Member:- <ol style="list-style-type: none"> <li>(a) must not enter into a new transaction without the approval of SGX-ST;</li> <li>(b) remains liable to complete all contracts outstanding at the time of suspension. However, it must not deliver any securities or settle any transaction without the approval of SGX-ST.</li> </ol> </li> <li>(3) require a Director to step down from day-to-day conduct of the business affairs of the Trading Member; and</li> <li>(4) appoint a person or persons (which may include a firm of auditors) as Manager to manage the business of the Trading Member. SGX-ST will fix the remuneration of the Manager, which must be paid by the Trading Member. The Trading Member is solely responsible for the Manager's acts and defaults. The Manager must carry out directions given by SGX-ST in relation to the business of the Trading Member, including carrying on the business of the Trading Member in accordance with</li> </ol>

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RULE	NEW / AMENDED RULES
	instructions.
11.2A.1	<p><b><u>11.2A NET LIQUID CAPITAL</u></b></p> <p><u>This Rule 11.2A shall apply to a Trading Member that holds a licence specified in Rule 4.1.1(1)(b).</u></p> <p><u>11.2A.1 A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) shall at all times maintain its net liquid capital above the net capital requirement.</u></p>
11.2A.2	11.2A.2 <u>The net liquid capital requirement of such Trading Member shall be not less than \$1 million.</u>
11.2A.3	11.2A.3 <u>If a Trading Member fails to comply or becomes aware that it will fail to comply with the net liquid capital requirement prescribed under Rule 11.2A, or such higher net liquid capital requirement as SGX-ST may have imposed under Rule 11.5, it shall immediately notify SGX-ST.</u>
11.2A.4	<p><u>11.2A.4 Regardless whether or not there has been any notification by a Trading Member under Rule 11.2A.3, if the net liquid capital of the Trading Member is below the net liquid capital requirement prescribed under Rule 11.2A or such higher net liquid capital requirement as SGX-ST may have imposed under Rule 11.5, it shall be deemed a breach of a provision of the SGX-ST Rules by the Trading Member. SGX-ST may refer the matter to the Disciplinary Committee, and may take such interim control measures, including but not limited to all or any of the following, as SGX-ST deems fit and appropriate:-</u></p> <p><u>(1) require the Trading Member to operate its business activities on SGX-ST subject to such restrictions or conditions as SGX-ST decides;</u></p> <p><u>(2) suspend the Trading Member's business activities on SGX-ST for a period SGX-ST decides. The suspension may be announced to all Trading Members. During the suspension, the Trading Member:-</u></p> <p><u>(a) must not enter into a new transaction without the approval of SGX-ST;</u></p> <p><u>(b) remains liable to complete all contracts outstanding at the time of suspension. However, it must not deliver any securities or settle any transaction without the approval of SGX-ST.</u></p> <p><u>(3) require a Director to step down from day-to-day conduct of the business affairs of the Trading Member on SGX-ST; or</u></p> <p><u>(4) appoint a person or persons (which may include a firm of auditors) as Manager to manage the business of the Trading Member on SGX-ST. SGX-ST will fix the remuneration of the Manager, which must be paid by the Trading Member. The Trading Member is solely responsible for the Manager's acts and defaults. The Manager must carry out directions given by SGX-ST in relation to the business of the Trading Member, including carrying on the business of the Trading Member in accordance with instructions.</u></p>
11.3.1	<p><b><u>11.3 FINANCIAL RESOURCES REQUIREMENT</u></b></p> <p><u>This Rule 11.3 shall apply to a Trading Member that holds a capital markets services licence.</u></p> <p><u>11.3.1 A Trading Member shall not cause or permit:—</u></p> <p><u>(1) where it is incorporated in Singapore, its financial resources; or</u></p> <p><u>(2) where it is incorporated outside Singapore, its adjusted net head office funds, to fall</u></p>

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RULE	NEW / AMENDED RULES
	below its total risk requirement.
11.3.2	11.3.2 Financial resources and adjusted net head office funds shall be calculated in the same manner as prescribed in paragraph 1 and paragraph 2 respectively of Second Schedule of the SFR (Financial and Margin Requirements).
11.3.3	11.3.3 Total risk requirement shall be calculated in the same manner as prescribed in the Third Schedule of the SFR (Financial and Margin Requirements).
11.3.4	<p>11.3.4 <u>Secondary Requirement under Operational Risk Requirement</u></p> <p>For the purposes of calculating the operational risk requirement as prescribed in Third Schedule of the SFR (Financial and Margin Requirements), a Clearing Member shall include a secondary requirement computed in the following manner:—</p> <ol style="list-style-type: none"> <li>(1) \$250,000 x number of Trading Members qualified by the Clearing Member, if the Clearing Member clears its own trades executed on the Exchange; or</li> <li>(2) \$250,000 x (number of Trading Members qualified by the Clearing Member minus 1), if the Clearing Member does not clear its own trades executed on the Exchange.</li> </ol>
11.3.5	11.3.5 If a Trading Member fails to comply or becomes aware that it will fail to comply with the financial resources requirement prescribed under Rule 11.3, or such higher financial resources requirement as SGX-ST may have imposed under Rule 11.5, it shall immediately notify SGX-ST.
11.3.6	<p>11.3.6 Regardless whether or not there has been any notification by a Trading Member under Rule 11.3.5, if the financial resources or adjusted net head office funds of the Trading Member, as the case may be, are below the total risk requirement prescribed under Rule 11.3 or such higher percentage of the total risk requirement as SGX-ST may have imposed under Rule 11.5, it shall be deemed a breach of a provision of the SGX-ST Rules by the Trading Member. SGX-ST may refer the matter to the Disciplinary Committee, and may take such interim control measures, including but not limited to do all or any of the following, as SGX-ST deems fit and appropriate:-</p> <ol style="list-style-type: none"> <li>(1) require the Trading Member to operate its business subject to such restrictions or conditions as SGX-ST decides;</li> <li>(2) suspend the Trading Member for a period SGX-ST decides. The suspension may be announced to all Trading Members. During the suspension, the Trading Member:- <ol style="list-style-type: none"> <li>(a) must not enter into a new transaction without the approval of SGX-ST;</li> <li>(b) remains liable to complete all contracts outstanding at the time of suspension. However, it must not deliver any securities or settle any transaction without the approval of SGX-ST.</li> </ol> </li> <li>(3) require a Director to step down from day-to-day conduct of the business affairs of the Trading Member; and</li> <li>(4) appoint a person or persons (which may include a firm of auditors) as Manager to manage the business of the Trading Member. SGX-ST will fix the remuneration of the Manager, which must be paid by the Trading Member. The Trading Member is solely responsible for the Manager's acts and defaults. The Manager must carry out directions given by SGX-ST in relation to the business of the Trading Member, including carrying on the business of the Trading Member in accordance with instructions.</li> </ol>

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RULE	NEW / AMENDED RULES
11.3.7	<p>11.3.7 <u>Early Warning Requirement on Financial Resources</u></p> <p>A Trading Member shall immediately notify SGX-ST if:—</p> <ol style="list-style-type: none"> <li>(1) in the case where the Trading Member is incorporated in Singapore, its financial resources; or</li> <li>(2) in the case where the Trading Member is incorporated outside Singapore, its adjusted net head office funds,</li> </ol> <p>fall below 120% of its total risk requirement.</p>
11.3.8	<p>11.3.8 If SGX-ST is notified by a Trading Member under Rule 11.3.7 or becomes aware (whether or not there has been any notification by the Trading Member under Rule 11.3.7) that the Trading Member's financial resources or adjusted net head office funds, as the case may be, have fallen or will fall below 120% of its total risk requirement, or such higher percentage as SGX-ST may have imposed under Rule 11.5, SGX-ST shall be entitled to require the Trading Member to comply with any or all of the directions prescribed under Regulation 7(3) of the SFR (Financial and Margin Requirements).</p>
11.3.9	<p>11.3.9 <u>Notification Requirement on Financial Resources</u></p> <p>A Trading Member shall immediately notify SGX-ST if:—</p> <ol style="list-style-type: none"> <li>(1) in the case where the Trading Member is incorporated in Singapore, its financial resources; or</li> <li>(2) in the case where the Trading Member is incorporated outside Singapore, its adjusted net head office funds,</li> </ol> <p>fall below 150% of its total risk requirement.</p>
11.3.10	<p>11.3.10 If SGX-ST is notified by a Trading Member under Rule 11.3.9 or becomes aware (whether or not there has been any notification by the Trading Member under Rule 11.3.9) that the Trading Member's financial resources or adjusted net head office funds, as the case may be, have fallen or will fall below 150% of its total risk requirement, or such higher percentage as SGX-ST may have imposed under Rule 11.5, SGX-ST shall be entitled to require the Trading Member to:—</p> <ol style="list-style-type: none"> <li>(1) submit the statements of assets and liabilities, financial resources, total risk requirement, aggregate indebtedness, and such other statements as required by SGX-ST at such interval and for such time frame as determined by SGX-ST; and</li> <li>(2) operate its business in such manner and on such conditions as SGX-ST may impose.</li> </ol>
11.3.11	<p>11.3.11 <u>Qualifying Letter of Credit</u></p> <ol style="list-style-type: none"> <li>(1) For the purpose of Rule 11.3, a Trading Member may include 1 or more qualifying letter(s) of credit in its calculation of financial resources, or adjusted net head office funds, as the case may be, subject to the total amount payable under the qualifying letter(s) of credit or 50% of the Trading Member's total risk requirement, whichever is lower.</li> <li>(2) For the purpose of Rule 11.3.11(1), a qualifying letter of credit is a legally enforceable and irrevocable letter of credit that is made:—</li> </ol>

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RULE	NEW / AMENDED RULES
	<p>(a) in the case of a Trading Member, in favour of SGX-ST;</p> <p>(b) in the case of a Clearing Member, in favour of CDP; and</p> <p>(c) issued by a bank approved by, and in a form acceptable to SGX-ST or CDP, as the case may be; and</p> <p>(d) does not include any letters of credit provided by the Clearing Member to satisfy Rule 7 of the Clearing Rules of CDP or any other requirement imposed by CDP.</p> <p>(3) SGX-ST shall reserve the right to call on any of the letter(s) of credit made in favour of SGX-ST pursuant to Rule 11.3.11 and apply the proceeds thereof in respect of the Trading Member's default to SGX-ST.</p>
11.4.1	<p><b>11.4 Aggregate Indebtedness Requirement</b></p> <p><u>This Rule 11.4 shall apply to a Trading Member that holds a capital markets services licence.</u></p> <p>11.4.1 A Trading Member shall not cause or permit its aggregate indebtedness to exceed 1200% of its aggregate resources.</p>
11.4.2	<p>11.4.2 If a Trading Member fails to comply or becomes aware that it will fail to comply with the aggregate indebtedness requirement prescribed under Rule 11.4, or such lower percentage of aggregate indebtedness over aggregate resources as SGX-ST may have imposed under Rule 11.4, it shall immediately notify SGX-ST.</p>
11.4.3	<p>11.4.3 Regardless of whether or not there has been any notification by a Trading Member under Rule 11.4.2, if the aggregate indebtedness of the Trading Member exceeds 1200% of its aggregate resources prescribed under Rule 11.4, or such lower percentage of aggregate indebtedness over aggregate resources as SGX-ST may have imposed under Rule 11.5, it shall be deemed a breach of a provision of the SGX-ST Rules by the Trading Member. SGX-ST may refer the matter to the Disciplinary Committee, and may take such interim control measures, including but not limited to do all or any of the following, as SGX-ST deems fit and appropriate:-</p> <p>(1) require the Trading Member to operate its business subject to such restrictions or conditions as SGX-ST decides;</p> <p>(2) suspend the Trading Member for a period SGX-ST decides. The suspension may be announced to all Trading Members. During the suspension, the Trading Member:-</p> <p>(a) must not enter into a new transaction without the approval of SGX-ST;</p> <p>(b) remains liable to complete all contracts outstanding at the time of suspension. However, it must not deliver any securities or settle any transaction without the approval of SGX-ST.</p> <p>(3) require a Director to step down from day-to-day conduct of the business affairs of the Trading Member; and</p> <p>(4) appoint a person or persons (which may include a firm of auditors) as Manager to manage the business of the Trading Member. SGX-ST will fix the remuneration of the Manager, which must be paid by the Trading Member. The Trading Member is solely responsible for the Manager's acts and defaults. The Manager must carry out directions given by SGX-ST in relation to the business of the Trading Member,</p>

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RULE	NEW / AMENDED RULES
	including carrying on the business of the Trading Member in accordance with instructions.
11.4.4	<p><b>11.4.4 Early Warning for Aggregate Indebtedness Requirement</b></p> <p>A Trading Member shall immediately notify SGX-ST if its aggregate indebtedness exceeds 600% of its aggregate resources.</p>
11.4.5	<p>11.4.5 If SGX-ST is notified by a Trading Member under Rule 11.4.4 or becomes aware (whether or not there has been any notification by the Trading Member under Rule 11.4.4) that the Trading Member's aggregate indebtedness has exceeded or will exceed 600% of its aggregate resources, or such lower percentage as SGX-ST may have imposed under Rule 11.5, SGX-ST shall be entitled to require the Trading Member to comply with any or all of the directions prescribed under Regulation 17(2) of the SFR (Financial and Margin Requirements).</p>
11.5	<p><b>11.5 Powers to Impose Other Requirements</b></p> <p>11.5.1 SGX-ST may prescribe for 1 or more Trading Members, capital, financial and other requirements in excess of the minimum prescribed under Chapter 11 herein on the basis of volume, risk exposure of positions carried, risk concentration, margin policies, nature of business conducted or to be conducted or its membership in any exchange or market and such other criteria as deemed necessary by SGX-ST.</p>
11.7.1	<p><b>11.7 Exposure to Single Customer</b></p> <p><u>This Rule 11.7 shall apply to a Trading Member that holds a capital markets services licence.</u></p> <p>11.7.1 A Trading Member shall immediately notify SGX-ST if the Trading Member's exposure to a single customer exceeds 20% of its average aggregate resources. To reduce the Trading Member's risk exposure to a single customer, SGX-ST shall have the right to impose on the Trading Member such risk management measures as it deems necessary.</p>
11.7.2	<p>11.7.2 For the purpose of Rule 11.7.1, the full amount of the letter(s) of credit or any part thereof deposited pursuant to Rule 11.3.11 may be taken into account for the calculation of aggregate resources.</p>
11.7.3	<p>11.7.3 In this Rule, "exposure to a single customer" means:—</p> <p>(1) in the case of securities carried in a customer's account (other than a margin financing account):—</p> <p>(a) for purchase contracts that remain unpaid:—</p> <p>(i) where the securities purchased have not been delivered to the customer, the excess of the contracted price of the securities purchased by the single customer over the aggregate market value of the securities purchased and such other collateral, as prescribed by SGX-ST, which is held by the Trading Member less any amount due and payable by the Trading Member to him; and</p> <p>(ii) where the securities purchased have been delivered to the customer, the excess of the contracted price of the securities purchased over the aggregate market value of all his collateral, as prescribed by SGX-ST, which is held by the Trading Member less any amount due and payable by the Trading Member to him;</p>

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RULE	NEW / AMENDED RULES
	<p>(b) for sale contracts for which delivery has not been made, the excess of the amount of the market value of the securities sold by the single customer over the aggregate of the market value of any of his collateral, as prescribed by SGX-ST, which is held by the Trading Member and the contracted sale price less any amount due and payable by the Trading Member to him;</p> <p>(c) where the contracts referred to in Rule 11.7.3(1)(a) or (b) have been offset by a contra transaction on or before the due date, the exposure shall not include those amounts specified in Rule 11.7.3(1) (a) or (b) in respect of such contracts but shall instead include the amount of the contra loss, if any, on the date on which the contra transaction takes effect; and</p> <p>(d) where the contracts referred to in Rule 11.7.3(1)(a) or (b) have been offset by a force-sale or buying-in transaction after the due date, the exposure shall not include those amounts specified in Rule 11.7.3(1) (a) or (b) in respect of such contracts but shall instead include the amount of the loss, if any, arising from the force-sale or buying-in transaction, on the date on which the transaction takes effect;</p> <p>(1A) for the purposes of Rule 11.7.3(1) "securities" includes structured warrants;</p> <p>(2) the amount of margin deficiency in the single customer's margin financing account as determined in accordance with the margin requirements specified by SGX-ST;</p> <p>(3) the amount of margin deficiency in the single customer's options margin account as determined in accordance with the option margin requirements specified by SGX-ST;</p> <p>(4) the excess of the amount owed by the single customer in his options trading account over the market value of options held;</p> <p>(5) the amount of any unsecured interest owed by the single customer;</p> <p>(6) the amount of any unsecured loan, advance and credit facility granted to the single customer;</p> <p>(7) where the Trading Member has lent securities to the single customer or is acting as guarantor for the return of securities lent to the single customer, the excess of the amount of the market value of the securities lent to the single customer over the amount of the market value of collateral and cash deposited by the single customer;</p> <p>(8) where the Trading Member has deposited collateral with the single customer in respect of securities lent by the single customer or is acting as guarantor for the return of collateral deposited with the single customer in respect of any securities lent by him, the excess of the amount of the market value of collateral and cash deposited with the single customer over the amount of the market value of securities lent by him; and</p> <p>(9) the amount of deficiency in relation to margins required in any account of the single customer as determined in accordance with the margin requirements prescribed by the relevant exchange, clearing house or other such relevant financial institution.</p>
11.7.4	<p>11.7.4 For the purposes of Rule 11.7.3, a security or futures contract is deemed to be carried in a customer's account (other than a margin account) on the contract date specified in the contract note in respect of the transaction in that security or futures contract or on the exercise date specified in the exercise notice in respect of an option in that security which has been exercised.</p>

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RULE	NEW / AMENDED RULES
11.7.5	<p>11.7.5 In this Rule:—</p> <p>"single customer" means, in relation to a customer who is:—</p> <ol style="list-style-type: none"> <li>(1) a person, that person and such group of persons who the first-mentioned person is able to control or influence;</li> <li>(2) a Corporation, that Corporation and any other Corporation or group of Corporations which is or are deemed to be related to the first-mentioned Corporation pursuant to section 4(1) of the Companies Act; or</li> <li>(3) a person, that person <ol style="list-style-type: none"> <li>(a) and any Corporation whose issued share capital is 50% or more owned by those persons mentioned in Rule 11.7.5(1) or those Corporations mentioned in Rule 11.7.5(2); or</li> <li>(b) and any Corporation whose composition of board of directors is controlled by those persons mentioned in Rule 11.7.5(1); and for this purpose the composition of the board of directors shall be deemed to be controlled by those persons, if they, by the exercise of some power exercisable by them without the consent or concurrence or any other person, can appoint or remove all or a majority of the directors of that Corporation,</li> </ol> </li> </ol> <p>but shall not include the Trading Member itself.</p>
New Rule	<p><b><u>11.7A Other Requirements for Exposure to Single Customer</u></b></p> <p><u>11.7A.1 This Rule 11.7A shall apply to a Trading Member that holds a licence specified in Rule 4.1.1(1)(b). Such Trading Member shall have in place adequate tools and procedures to monitor its exposure to a single customer. SGX-ST shall have the right to require such Trading Member to demonstrate the adequacy of such tools and procedures as it deems necessary.</u></p> <p><u>11.7A.2 The Trading Member shall immediately notify SGX-ST if the Trading Member's exposure to a single customer exceeds its internal threshold.</u></p> <p><u>11.7A.3 In this Rule 11.7A, "single customer" and "exposure to a single customer" shall have the meaning ascribed to it in Rule 11.7.</u></p>
11.8	<p><b>11.8 Exposure to Single Security</b></p> <p><u>This Rule 11.8 shall apply to a Trading Member that holds a capital markets services licence.</u></p> <p>11.8.1 A Trading Member shall immediately notify SGX-ST if the Trading Member's exposure to a single security exceeds:—</p> <ol style="list-style-type: none"> <li>(1) in the case where the security is quoted on SGX-ST or any recognised group A securities exchange, 300% of its average aggregate resources;</li> <li>(2) in all where the security is quoted other than as specified in Rule 11.8.1(1), 100% of its average aggregate resources;</li> <li>(3) in the case where the security is approved for quotation on SGX-ST or any recognised group A securities exchange but has not, as yet, been so quoted:—</li> </ol>

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RULE	NEW / AMENDED RULES
	<p>(a) 100% of the average aggregate resources of the Trading Member if its aggregate resources is less than \$75 million; or</p> <p>(b) 150% of the average aggregate resources of the Trading Member if its aggregate resources is \$75 million or more,</p> <p>Provided that the exposure under Rule 11.8.1(3) together with the exposure, if any, to securities already quoted, shall not exceed the limit specified in Rule 11.8.1(1); and</p> <p>(4) 10% of its average aggregate resources if the security is unquoted, but shall not include any security issued by:—</p> <p>(a) any subsidiary of the Trading Member which is established solely for the purpose of providing research, nominee, custodian or trustee services; or</p> <p>(b) any other company which SGX-ST may approve.</p>
11.8.2	11.8.2 To reduce a Trading Member's risk exposure to a single security, SGX-ST shall have the right to impose on the Trading Member such risk management requirements as it thinks fit.
11.8.3	11.8.3 For the purpose of Rule 11.8.1, the full amount of the letter(s) of credit or any part thereof deposited pursuant to Rule 11.3.11 may be taken into account for the calculation of aggregate resources.
11.8.4	<p>11.8.4 For the purpose of Rule 11.8.1, "exposure to a single security" means:—</p> <p>(1) the amount of the single security underwritten or sub-underwritten by or placed with a Trading Member, after deducting the amount which the Trading Member has sub-underwritten or placed with:—</p> <p>(a) a bank licensed under the Banking Act (Cap. 19);</p> <p>(b) a merchant bank approved as a financial institution under the Monetary Authority of Singapore Act (Cap. 186);</p> <p>(c) a finance company licensed under the Finance Companies Act (Cap. 108);</p> <p>(d) a company or society registered under the Insurance Act (Cap. 142) to carry on insurance business as an insurer;</p> <p>(e) the holder of a capital markets services licence under the Securities and Futures Act to deal in securities, or trade in futures contracts or for fund management;</p> <p>(f) a financial institution outside Singapore which is licensed or regulated by a financial services regulatory authority in the country in which it is domiciled, and has a long-term credit rating of investment grade; and</p> <p>(g) any other person, provided that:—</p> <p>(i) full payment has been received by the Trading Member for the sub-underwritten, placed, sold or allotted amount; or</p> <p>(ii) the sub-underwritten, placed, sold or allotted amount can be offset against collateral received by the Trading Member under a netting agreement.</p> <p>(2) the book value of the single security carried long or the market value of the single security carried short in a Trading Member's own account;</p>

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RULE	NEW / AMENDED RULES
	<p>(3) for outstanding options in the single security carried in a Trading Member's own options trading account:—</p> <p>(a) the book value of options bought for the account;</p> <p>(b) the excess of the market value of the underlying security over the exercise price of uncovered call options written for the account; and</p> <p>(c) the excess of the exercise price of put options written for the account over the market value of the underlying security;</p> <p>(4) in relation to the single security carried in a customer's cash account, the contract value of the single security to the extent that such amounts have not been paid for, or the market value of the single security to the extent that such securities have not been delivered, whichever is the higher;</p> <p>(5) for outstanding options in the single security carried in a customer's options trading account:—</p> <p>(a) the contract value of the options bought by the customer to the extent that such amounts have not been paid for;</p> <p>(b) the excess of the market value of the underlying security over the exercise price of uncovered call options written by the customer; and</p> <p>(c) the excess of the exercise price of put options written by the customer over the market value of the underlying security;</p> <p>(6) the net amount of the single security borrowed or lent, as the case may be, by a Trading Member;</p> <p>(7) in relation to the single security bought or carried, or deposited as collateral in the margin financing accounts, the margin exposure of a Trading Member to the single security as determined in accordance with the margin financing requirements prescribed by SGX-ST;</p> <p>(8) the amount of interest receivable secured by the single security;</p> <p>(9) the amount of loans and advances secured by the single security; and</p> <p>(10) the amount under subscription by a Trading Member for its own account in relation to the single security which is approved for quotation on SGX-ST or any recognised group A securities exchange but has not, as yet, been so quoted.</p>
11.8.5	11.8.5 For the purposes of this Rule, a security is deemed to be carried in a customer's cash account or a Trading Member's own account on the contract date specified in the contract note in respect of the transaction in that security or on the exercise date specified in the exercise notice in respect of an option in that security which has been exercised.
11.8.6	11.8.6 For the purposes of this Rule, in calculating exposure in any particular security, all outstanding options exercisable into that security shall be included in such computation.
11.8.7	<p>11.8.7 This Rule shall not apply to:—</p> <p>(1) securities issued by the Singapore Government or any public authority in Singapore; and</p>

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	(2) a Trading Member's arbitrage transactions.
11.8.8	11.8.8 For the purposes of this Rule, where a security quoted on SGX-ST or any recognised group A securities exchange has been suspended for more than 30 consecutive days, a Trading Member shall not permit its exposure to the security to increase in monetary value above the level subsisting on the thirtieth consecutive day of suspension until such time that the suspension has been lifted.
11.8.9	11.8.9 In this Rule:—  "single security" includes ordinary and preference shares, loan stocks, company warrants, structured warrants, transferable subscription rights, bonds, debentures, depository receipts, options and any other debt instruments or equity securities.
New Rule	<p><b><u>11.8A Other Requirements for Exposure to Single Security</u></b></p> <p><u>11.8A.1 This Rule 11.8A shall apply to a Trading Member that holds a licence specified in Rule 4.1.1(1)(b). Such Trading Member shall have in place adequate tools and procedures to monitor its exposure to a single security. SGX-ST shall have the right to require such Trading Member to demonstrate the adequacy of such tools and procedures as it deems necessary.</u></p> <p><u>11.8A.2 The Trading Member shall immediately notify SGX-ST if the Trading Member's exposure to a single security exceeds its internal threshold.</u></p> <p><u>11.8A.3 In this Rule 11.8A, "single security" and "exposure to a single security" shall have the meaning ascribed to it in Rule 11.8.</u></p>
11.9	<p><b>11.9 Margin Financing</b></p> <p>11.9.1 Subject to the margin financing requirements of this Rule, a Trading Member who is licensed to conduct securities margin financing may extend credit facilities to approved customers for securities transactions.</p>
New Rule	<p><u>11.9.1A (1) In the case of a Trading Member that holds a capital markets services licence, Rules 11.9.2 to 11.9.16 shall apply; and</u></p> <p><u>(2) in the case of a Trading Member that holds a licence specified in Rule 4.1.1(1)(b), such requirements as may be prescribed by the Relevant Regulatory Authority shall apply. The Trading Member shall immediately notify SGX-ST on any changes to such requirements. Where no such requirements have been prescribed by the Relevant Regulatory Authority, Rules 11.9.2 to 11.9.16 shall apply. Notwithstanding the foregoing, SGX-ST shall have the discretion to prescribe additional requirements.</u></p>
11.9.2	11.9.2 Margin financing arrangements shall be evidenced in the form of a written agreement executed between the Trading Member and the customer.
11.9.3	11.9.3 A customer who operates a margin financing account with a Trading Member shall authorise the Trading Member to mortgage, pledge or hypothecate the customer's securities or property for a sum not exceeding the debit balance in the margin financing account and without obligation to retain in its possession or control securities of like character. The Trading Member shall also be given the discretion to sell or dispose of any or all the securities in any manner in order to meet with the prescribed margin financing requirements.
11.9.4	11.9.4 A Trading Member shall not cause or permit any new transaction made in a customer's margin financing account unless the resulting equity in the account is not less than 140% of the debit balance, or the Trading Member has required the customer to deposit margin in the margin financing account within 2 Market Days from the date of securities transaction to bring

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RULE	NEW / AMENDED RULES
	the equity to not less than 140% of the debit balance.
11.9.5	11.9.5 The margin deposited by customers with the Trading Member shall be in the form of acceptable collateral and such other instruments as SGX-ST may from time to time prescribe.
11.9.6	<p>11.9.6 (1) A Trading Member shall not cause or permit the equity in a customer's margin financing account to fall to or below 110% of the debit balance in the customer's margin financing account, unless the Trading Member has immediately required the customer to provide additional margin in the margin financing account within 2 Market Days from the date of notice to increase the equity in the customer's margin financing account to more than 110% of the debit balance in the customer's margin financing account.</p> <p>(2) Where the equity in a customer's margin financing account falls to or below 110% of the debit balance in his margin financing account, and that the customer has failed to provide additional margin to increase the equity in his margin financing account to more than 110% of the debit balance in his margin financing account within the prescribed time frame referred to in Rule 11.9.6(1), a Trading Member shall have discretion, including, where appropriate, liquidating the margin financing account including the acceptable collateral deposited to bring the equity to more than 110% of the debit balance without notice to the customer.</p>
11.9.8	11.9.8 A Trading Member shall cause daily review to be made of all margin financing accounts to ensure that credit is not over-extended beyond the approved facility and that the margin financing requirements prescribed above are met at all times. For the purpose of computing margin financing requirements in a margin financing account, the last done price of the security on the preceding Market Day shall be used. All transactions done on the same day shall be combined on a transaction date basis and the total cost of purchase or the net proceeds of sale including any commission charged and other expenses shall be taken into account for computing margin financing requirements.
11.9.9	11.9.9 A Trading Member shall have the discretion to impose higher margin financing requirements on any of its customers.
11.9.10	11.9.10 A customer may withdraw cash or securities from his margin financing account provided that the equity in his account does not fall to 140% of the debit balance or less.
11.9.11	<p>11.9.11 A Trading Member shall not cause or permit:—</p> <p>(1) the aggregate of the margin exposures in the margin financing accounts of all customers to exceed 300%, or such other percentage as SGX-ST may allow, of its free financial resources;</p> <p>(2) the aggregate of the margin exposures in the margin financing accounts of all customers in respect of securities, other than securities quoted on SGX-ST, to exceed 100%, or such other percentage as SGX-ST may allow, of its free financial resources; and</p> <p>(3) the debit balance in each customer's margin financing account to exceed 20%, or such other percentage as SGX-ST may allow, of its free financial resources.</p>
11.9.13	11.9.13 All transactions in a margin account shall be on an immediate or a ready basis. The margin account shall not be used to subscribe for new issue of securities, or to meet margin requirements in respect of Marginable Futures Contracts.
11.9.14	11.9.14 In computing the market value of securities bought and carried in a customer's margin financing account and the market value of securities deposited as collateral by the margin customer, the Trading Member shall apply such applicable discounts as SGX-ST may

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RULE	NEW / AMENDED RULES								
	prescribe from time to time.								
11.9.15	11.9.15 SGX-ST shall have the absolute discretion to vary any or all of the margin financing requirements stipulated in Rule 11.9, and impose such other requirements for margin financing transactions from time to time as it deems fit and appropriate.								
11.9.16	<p>11.9.16 In this Rule:—</p> <table border="1" data-bbox="375 510 940 824"> <thead> <tr> <th data-bbox="375 510 651 539">Term</th> <th data-bbox="651 510 940 539">Meaning</th> </tr> </thead> <tbody> <tr> <td data-bbox="375 539 651 633">"debit balance"</td> <td data-bbox="651 539 940 824" rowspan="5">has the meaning ascribed to it in Regulation 24(6) of the SFR (Financial and Margin Requirements).</td> </tr> <tr> <td data-bbox="375 633 651 663">"equity"</td> </tr> <tr> <td data-bbox="375 663 651 728">"free financial resources"</td> </tr> <tr> <td data-bbox="375 728 651 792">"acceptable collateral"</td> </tr> <tr> <td data-bbox="375 792 651 824">"margin exposure"</td> </tr> </tbody> </table>	Term	Meaning	"debit balance"	has the meaning ascribed to it in Regulation 24(6) of the SFR (Financial and Margin Requirements).	"equity"	"free financial resources"	"acceptable collateral"	"margin exposure"
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"debit balance"	has the meaning ascribed to it in Regulation 24(6) of the SFR (Financial and Margin Requirements).								
"equity"									
"free financial resources"									
"acceptable collateral"									
"margin exposure"									
11.10	<p><b>11.10 Monthly Submission of Returns</b></p> <p>11.10.1 A Trading Member shall submit to SGX-ST financial returns as follows:</p> <p>(1) <u>in the case of a Trading Member that holds a capital markets services licence</u>, submit by the 14th calendar day of each month statements of assets and liabilities, base capital, financial resources, total risk requirement, aggregate indebtedness;</p> <p>(2) <u>in the case of a Trading Member that holds a licence specified in Rule 4.1.1(1)(b)</u>, submit by the 14th calendar day of each month financial returns based on such computation methodology and in the form prescribed by SGX-ST; and</p> <p>(3) such other statements as SGX-ST may from time to time require in the format specified by SGX-ST.</p>								
11.10.2	11.10.2 Where a Trading Member fails to submit the statements required in Rule 11.10.1 within the prescribed time, there shall be imposed upon the Trading Member a late fee of \$100 for each day that the statements are not submitted in the prescribed time, unless an extension of time has been granted.								
11.10.3	11.10.3 Requests for extension of time shall be submitted to SGX-ST at least 3 Market Days prior to the due date for submission of the statements.								
11.10.4	11.10.4 A Trading Member shall be required to resubmit the statements and documents prescribed under Rule 11.10.1 and take such other steps as SGX-ST may require upon SGX-ST's notification that the statements and documents are inaccurate or incomplete.								
11.11	<p><b>11.11 ANNUAL FINANCIAL AUDIT</b></p> <p>11.11.1 <del>The appointment of a Trading Member's auditors</del> <u>A Trading Member</u> shall <del>be subject to the prior approval of SGX-ST:</del></p> <p>(1) <u>in the case of a Trading Member that holds a capital markets services licence</u>, obtain the written approval of SGX-ST in the event of any change of its existing external auditor; and</p> <p>(2) <u>in the case of a Trading Member that holds a licence specified in Rule 4.1.1(1)(b)</u>, notify SGX-ST at least seven (7) days prior to any change of its existing external auditor. The</p>								

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RULE	NEW / AMENDED RULES
	<p><u>Trading Member shall appoint external auditors that are accepted by its Relevant Regulatory Authority.</u></p>
11.11.1A	<p><u>11.11.1A If SGX-ST is not satisfied with the performance of duties by an external auditor appointed by a Trading Member in relation to the Trading Member's activities on SGX-ST, it may:</u></p> <p>(i) <u>at any time direct the Trading Member to remove the external auditor; and</u></p> <p>(ii) <u>direct the Trading Member, as soon as practicable thereafter, to appoint another external auditor.</u></p>
11.11.2	<p>11.11.2 A Trading Member shall, within 5 months after the close of the financial year, furnish to SGX-ST the <u>following information:</u></p> <p>(1) <u>the relevant forms in respect of its annual financial audit which a Trading Member is required to lodge with its Relevant Regulatory Authority, translated into English, and as prescribed by SGX-ST. In the case of a Trading Member who holds a capital markets services licence, the forms shall be</u> in the prescribed format under Regulation 27(9) of the SFR (Financial and Margin Requirements);<del>;</del></p> <p>(2) <u>audited accounts of the Trading Member and its subsidiaries;</u> and</p> <p>(3) a Certificate, signed by the auditor appointed by the Trading Member to carry out an annual financial audit, stating, at a minimum:-</p> <p>(<del>1</del>a) whether, in the opinion of the auditor, the Trading Member has complied with the <u>relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities, or in the case of a Trading Member that holds a capital markets services licence,</u> financial requirements as set out in the SGX-ST Rules and SFR (Financial and Margin Requirements);<del>;</del> <del>and</del></p> <p>(<del>2</del>b) whether, in the opinion of the auditor, the Trading Member's books of accounts and records are those usual in a business of that nature and appear to have been kept in a proper manner in accordance with the provisions of the SGX-ST Rules and <u>relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities, or in the case of a Trading Member that holds a capital markets services licence,</u> the Securities and Futures Act;<del>;</del> <del>and</del></p> <p>(<del>3</del>c) whether, in the opinion of the auditor, the financial position of the Trading Member is such as to enable it to conduct its business on sound lines, having regard to the nature and volume of the business transacted during its past financial year as shown by its books of accounts and records;<del>;</del> and</p> <p>(<del>4</del>d) whether the auditor has obtained all the necessary information and explanations for the proper conduct of the audit and to enable the auditor to furnish the Certificate.</p>
11.11.3	<p>11.11.3 Where, in the performance of his duties, the Trading Member's auditor becomes aware:-</p> <p>(1) of any matter which in his opinion adversely affects or may adversely affect the financial position of the Trading Member to a material extent,</p> <p>(2) of any matter which in his opinion constitute or may constitute a contravention breach of any provision of the SFA <u>or any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities,</u> or an offence involving fraud or dishonesty,</p>

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RULE	NEW / AMENDED RULES
	<p>(3) of any irregularity that has or may have a material effect upon the accounts, including irregularities that jeopardise the moneys or other assets of any customer of the Trading Member, or</p> <p>(4) that the accounting system, internal accounting control and procedures for safeguarding moneys or other assets are inadequate and the inadequacies have a material effect on the accounts,</p> <p>The auditor shall immediately report the matter to SGX-ST.</p>
11.11.4	<p>11.11.4(1) Where a Trading Member fails to submit the documents pursuant to Rule 11.11.2 within the specified time, there may be imposed upon that Trading Member a fee of \$200 for each day that the statements are not submitted within the prescribed time, unless an extension of time has been granted.</p> <p>(2) Requests for extension of time shall be submitted to SGX-ST at least 3 Market Days prior to the due date.</p>
11.13	<p><b>11.13 OTHER FINANCIAL REQUIREMENTS</b></p> <p><b>11.13.1 Reduction in Paid-Up Ordinary Share Capital</b></p> <p>A Trading Member which is incorporated in Singapore shall not reduce its paid-up ordinary share capital without the prior written approval of SGX-ST.</p>
11.13.2	<p><b>11.13.2 Preference Shares</b></p> <p>(1) A Trading Member which is incorporated in Singapore shall immediately notify SGX-ST prior to the issue of any preference share.</p> <p>(2) A Trading Member which is incorporated in Singapore shall not redeem any redeemable preference share:—</p> <p>(a) unless the Trading Member notifies SGX-ST at least 1 year before the proposed date of redemption;</p> <p>(b) if at the date of redemption:—</p> <p>(i) its financial resources (including qualifying letters of credit referred to in Rule 11.3.11) is less than 150% of its total risk requirement; or</p> <p>(ii) its aggregate indebtedness exceeds 600% of its aggregate resources;</p> <p>(c) if such redemption will cause an event in Rule 11.13.2(2)(b) above to occur; or</p> <p>(d) if SGX-ST has prohibited in writing such a redemption.</p>
11.13.3	<p><b>11.13.3 Qualifying Subordinated Loan</b></p> <p>(1) A Trading Member shall obtain the prior approval of SGX-ST if it enters a subordinated loan agreement in a format other than the format prescribed by SGX-ST from time to time.</p> <p>(2) Where a Trading Member draws down a qualifying subordinated loan, the Trading Member shall notify SGX-ST no later than the date of draw down of the qualifying</p>

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RULE	NEW / AMENDED RULES
	<p>subordinated loan.</p> <p>(3) A Trading Member shall not repay, whether in part or in full, any subordinated loan principal before the maturity date without the prior approval of SGX-ST.</p> <p>(4) A Trading Member shall not repay, whether in part or in full, any subordinated loan principal that has matured:—</p> <p>(a) unless the Trading Member notifies SGX-ST at least 1 Market Day before the date of repayment;</p> <p>(b) if its financial resources (including qualifying letters of credit referred to in Rule 11.3.11) is less than 150% of its total risk requirement;</p> <p>(c) if its aggregate indebtedness exceeds 600% of its aggregate resources;</p> <p>(d) if such a repayment will cause an event in Rule 11.13.3(4)(b) or (c) to occur; or</p> <p>(e) if SGX-ST has prohibited in writing such a repayment.</p>
11.13.4	<p><b>11.13.4 Making of Unsecured Loan or Advance, Payment of Dividend or Director's Fees or Increase in Director's Remuneration</b></p> <p>A Trading Member shall not, without the prior written approval of SGX-ST, make any unsecured loan or advance, pay any dividend or director's fees or increase any director's remuneration if:—</p> <p>(1) in the case where the Trading Member is incorporated in Singapore:—</p> <p>(a) its base capital is less than the base capital requirement as prescribed in Rules 11.2 and 11.5;</p> <p>(b) its financial resources (including qualifying letters of credit referred to in Rule 11.3.11) is less than 150% of its total risk requirement;</p> <p>(c) its aggregate indebtedness exceeds 600% of its aggregate resources;</p> <p>(d) such a loan, advance, payment or increase will cause an event in Rule 11.13.4(1)(a), (b) or (c) to occur; or</p> <p>(2) in the case where the Trading Member is incorporated outside Singapore:—</p> <p>(a) its net head office funds is less than the base capital requirement as prescribed in Rules 11.2 and 11.5;</p> <p>(b) its adjusted net head office funds (including qualifying letters of credit referred to in Rule 11.3.11) is less than 150% of its total risk requirement;</p> <p>(c) its aggregate indebtedness exceeds 600% of its aggregate resources;</p> <p>(d) such a loan, advance, payment or increase will cause an event in Rule 11.13.4(2)(a), (b) or (c) to occur.</p>
<u>11.13.5</u>	<p><u>11.13.5 Rules 11.13.1 to 11.13.4 shall not apply to a Trading Member that holds a licence specified in Rule 4.1.1(1)(b). Such a Trading Member shall notify the Exchange immediately of any actions taken relating to:</u></p>

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RULE	NEW / AMENDED RULES
	<p><u>(1) any reduction in paid-up ordinary share capital;</u></p> <p><u>(2) any issue of any preference share;</u></p> <p><u>(3) the entry into a subordinated loan agreement in a format other than the format prescribed by SGX-ST from time to time, drawing down on a qualifying subordinated loan or repayment whether in part or in full, any subordinated loan principal before or upon maturity;</u></p> <p><u>(4) the making of any unsecured loan, advance, payment of dividend or director's fees or increase in director's remuneration, if its net liquid capital requirement is less than its net liquid capital requirement as prescribed in Rule 11.2A or such action will cause its net liquid capital requirement to be less than its net liquid capital requirement; or</u></p> <p><u>(5) that which has or may have a financial or capital impact on the Trading Member and required to be reported to the Relevant Regulatory Authority.</u></p>
11.14	<p><b>11.14 REGISTER OF CONNECTED PERSONS</b></p> <p>11.14.1 <del>A Each</del> Trading Member <u>that holds a capital markets services licence</u> shall keep a register of its directors and their connected persons. For the purpose of this Rule, a "connected person" has the meaning ascribed to it in Section 2 of the SFA.</p>
12.1	<p><b>12.1 RECORDS</b></p> <p>12.1.1 A Trading Member, Director or Trading Representative must:-</p> <p>(1) maintain complete and accurate records in accordance with:</p> <p><u>(a) in the case of a Trading Member that holds a capital markets services licence, the Securities and Futures Act, and/or Securities and Futures Regulations or the Rules; and</u></p> <p><u>(b) in the case of a Trading Member that holds a licence specified in Rule 4.1.1(1)(b), such requirements as may be prescribed by the Relevant Regulatory Authority and the Rules. The Trading Member shall immediately notify SGX-ST on any changes to such requirements. Notwithstanding the foregoing, SGX-ST shall have the discretion to prescribe additional requirements;</u></p> <p>(2) not make, or cause to be made, a false or misleading entry, in hardcopy, or electronic form, in any books, records, slips, documents, statements relating to the business, affairs, transactions, conditions, assets or accounts ("<b>the Documents</b>") of a Trading Member;</p> <p>(3) make all material entries in any of the documents; and</p> <p>(4) not alter or destroy any of the Documents without a valid reason.</p>
12.1.2	12.1.2 A Trading Member must ensure the integrity, security and confidentiality in the transmission and storage of all records.
12.1.3	12.1.3 A Trading Member must make records available to SGX-ST at such time as SGX-ST requires.
12.3	<p><b>12.3 CUSTOMER ACCOUNTS</b></p> <p>12.3.1 <b>Individual Customer Account</b></p>

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RULE	NEW / AMENDED RULES
	<p>Before opening an individual customer account, a Trading Member must:—</p> <ol style="list-style-type: none"> <li data-bbox="384 360 1490 517">(1) 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</li> <li data-bbox="384 551 1490 618">(2) take suitable steps to verify the customer's identity and intention if the customer does not open the account in person.</li> </ol>
12.3.2	<p><b>12.3.2 Corporate Customer Account</b></p> <p>Before opening a corporate customer account, a Trading Member must:—</p> <ol style="list-style-type: none"> <li data-bbox="384 775 1490 864">(1) 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);</li> <li data-bbox="384 898 1382 931">(2) obtain a certified true copy of the certificate of incorporation of the customer; and</li> <li data-bbox="384 965 1490 1458">(3) obtain either:— <ol style="list-style-type: none"> <li data-bbox="440 1021 1490 1245">(a) a copy of the directors' resolution of the customer approving the opening of a trading account with the Trading Member and empowering specific directors and officers to:— <ol style="list-style-type: none"> <li data-bbox="504 1144 1382 1178">(i) trade in securities or Futures Contracts for the customer's account; and</li> <li data-bbox="504 1211 1350 1245">(ii) execute all documentation for trading and settlement in the account;</li> </ol> </li> <li data-bbox="440 1267 1490 1335">(b) 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; or</li> <li data-bbox="440 1357 1490 1458">(c) note in writing the basis upon which it believes 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.</li> </ol> </li> </ol>
12.3.3	<p><b>12.3.3 Agency Account</b></p> <p>For an agency account, a Trading Member must have on file:—</p> <ol style="list-style-type: none"> <li data-bbox="384 1615 799 1648">(1) the name of the principal; and</li> <li data-bbox="384 1671 1238 1704">(2) written evidence of the customer's authority to trade for the principal.</li> </ol>
12.3.4	<p><b>12.3.4 Joint Account</b></p> <ol style="list-style-type: none"> <li data-bbox="384 1805 1350 1962">(1) A Trading Member may allow customers to open a joint trading account if:— <ol style="list-style-type: none"> <li data-bbox="440 1861 1046 1895">(a) a joint securities account is opened with CDP;</li> <li data-bbox="440 1917 1142 1951">(b) each joint account holder is at least 18 years old; and</li> </ol> </li> </ol>

RULE	NEW / AMENDED RULES
	<p>(c) no joint account holder is an undischarged bankrupt.</p> <p>(2) A joint account may be operated by not more than 2 individuals. However, if it is an estate account, it may be operated by all personal representatives.</p> <p>(3) A Trading Member must maintain the following information:—</p> <p>(a) particulars of each joint account holder;</p> <p>(b) the names of persons authorised to give trading orders and settlement instructions and receive scrip from the Trading Member;</p> <p>(c) the names of persons to whom payments by the Trading Member are to be made; and</p> <p>(d) details of any accounts held in an individual capacity by a joint account holder.</p> <p>(4) A Trading Member must require each joint account holder to specify whether the joint account holder is jointly and severally liable for all debts incurred in a joint account.</p>
12.3.5	<p>12.3.5 <b>Approval of Customer Accounts</b></p> <p>(1) At least 1 senior management staff independent of sales or dealing of a Trading Member, or a senior management staff of a related corporation of that Trading Member charged with the account approval function, must approve the opening of a customer account.</p> <p>(2) The approval must:—</p> <p>(a) be given before the execution of the first trade for the customer; and</p> <p>(b) be in writing which includes secured electronic record; and</p> <p>(c) form part of the permanent records of the Trading Member.</p>
12.3.6	<p>12.3.6 <b>Risk Disclosure Statement</b></p> <p><u>(1) Unless otherwise permitted by the Securities and Futures Act or any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities, a Trading Member must obtain a written acknowledgement from a customer that the customer is aware of the risk associated with holding and trading of securities and Futures Contracts. This Rule does not apply to a customer who is an accredited investor trading only in securities.</u></p> <p><u>(2) The written acknowledgement shall:</u></p> <p><u>(a) in the case of a Trading Member that holds a capital markets services licence, contain such requirements as contemplated under the Securities and Futures Act; and</u></p> <p><u>(b) in the case of a Trading Member that holds a licence specified in Rule 4.1.1(1)(b), contain such requirements as may be prescribed by the Relevant Regulatory Authority. The Trading Member shall immediately notify SGX-ST on any changes to such requirements. Notwithstanding the foregoing, SGX-ST shall have the discretion to prescribe additional requirements.</u></p>

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RULE	NEW / AMENDED RULES
12.3.7	<p><b>12.3.7 Separate Accounts and Account Designation</b></p> <p>(1) A Trading Member must maintain separate accounts for each person whose account is carried on the books of the Trading Member.</p> <p>(2) A customer account must be identified and designated by the full name of the customer(s) and an account code.</p>
12.3.8	12.3.8 In this Rule, a customer account includes a trading account of a Trading Representative.
12.3.9	12.3.9 The account code used to designate a customer or a proprietary account must be of 7 alphanumeric or numeric characters.
<b>12.3A</b>	<p><b>12.3A CUSTOMER EDUCATION</b></p> <p>12.3A.1 Save for Accredited Investors and Institutional Investors, a Trading Member must provide its Internet Trading customers with adequate information, guidance and training on:—</p> <p>(1) prohibited trading practices;</p> <p>(2) potential limitations and risks of Internet Trading;</p> <p>(3) system functionalities and order management procedures; and</p> <p>(4) market conventions such as minimum bid sizes and board lot sizes.</p> <p>With respect to Accredited Investors and Institutional Investors, a Trading Member's obligation relates solely to the provision of adequate information in relation to prohibited trading practices.</p>
<b>12.4</b>	<p><b>12.4 Trading Authority</b></p> <p>12.4.1 Before accepting any orders from a third party, a Trading Member must obtain written authorisation from the customer empowering the third party to trade for the customer's account.</p>
<b>12.5</b>	<p><b>12.5 Brokerages and Charges</b></p> <p>12.5.1 Unless SGX-ST decides otherwise, the commission rate chargeable for the purchase or sale of securities or Futures Contracts is negotiable.</p>
12.5.2	12.5.2 All charges and expenses, including stamp duty and clearing fee, to be borne by the customer must be disclosed to the customer and agreed between the customer and the Trading Member.
<b>12.6</b>	<p><b>12.6 CONTRACT NOTES</b></p> <p>12.6.1 A Trading Member must send its customer a contract note for the purchase or sale of securities or Futures Contracts <u>by the next market day</u>.</p>
12.6.2	<p>12.6.2 The contract note must state that the contract is subject to the Rules and Directives of SGX-ST if the trade is:—</p> <p>(1) transacted on or through the Trading System; or</p> <p>(2) reported to SGX-ST.</p>

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RULE	NEW / AMENDED RULES
12.6.3	<p><u>12.6.3 In the case of a Trading Member that holds a capital markets services licence:</u></p> <p><u>(1) a contract note must:</u></p> <p><u>(a) be sent by the next market day;</u></p> <p><u>(b) contain the information specified in Regulation 42(1) of the Securities and Futures (Licensing and Conduct of Business) Regulations; and</u></p> <p><u>(c) show separately:</u></p> <p><u>(i) brokerage charged;</u></p> <p><u>(ii) clearing fee;</u></p> <p><u>(iii) stamp duty;</u></p> <p><u>(iv) Goods and Services Tax; and</u></p> <p><u>(v) any other charges,</u></p> <p><u>unless otherwise prescribed by SGX-ST from time to time.</u></p> <p><u>(2) before issuing contract notes in electronic form, the Trading Member must obtain the customer's prior revocable and informed consent. The Trading Member must retain evidence of the customer's consent. To constitute an informed consent, a customer must be told of the manner of delivery and retrieval of the electronic record and any costs that may be incurred.</u></p>
12.6.4	<p><u>12.6.4 In the case of a Trading Member that holds a licence specified in Rule 4.1.1(1)(b), A</u><del>a</del><u> contract note must comply with such requirements as may be prescribed by the Relevant Regulatory Authority, including requirements relating to a customer's contract note in electronic form. The Trading Member shall immediately notify SGX-ST on any changes to such requirements. Notwithstanding the foregoing, SGX-ST shall have the discretion to prescribe additional requirements. show separately:-</u></p> <p><del>(1) brokerage charged;</del></p> <p><del>(2) clearing fee;</del></p> <p><del>(3) stamp duty;</del></p> <p><del>(4) Goods and Services Tax; and</del></p> <p><del>(5) any other charges;</del></p> <p><del>unless otherwise prescribed by SGX-ST from time to time.</del></p>
12.6.5	<p><del>12.6.5 Before issuing contract notes in electronic form, a Trading Member must obtain the customer's prior revocable and informed consent. The Trading Member must retain evidence of the customer's consent.</del></p>
12.6.6	<p><del>12.6.6 To constitute an informed consent under Rule 12.6.5, a customer must be told of the manner of delivery and retrieval of the electronic record and any costs that may be incurred.</del></p>
12.6.7	<p><u>12.6.5</u> If asked by SGX-ST, a Trading Member must produce the contract notes in substantially the</p>

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RULE	NEW / AMENDED RULES
	same form and containing the same trading information as were given to customers.
12.7	<p><b>12.7 STATEMENT OF ACCOUNT TO CUSTOMERS</b></p> <p>12.7.1 A Trading Member must send its customer (including a Trading Representative) a statement of account on a <u>regular monthly</u> basis, <del>by the first week of the next month unless there is no change from the last statement.</del></p>
12.7.2	<p>12.7.2 A statement of account <u>shall:</u></p> <p><u>(1) in the case of a Trading Member that holds a capital markets services licence, must be sent on a monthly basis, by the first week of the next month unless there is no change from the last statement, and</u> contain the information specified in Regulation 40(2) of the Securities and Futures (Licensing and Conduct of Business) Regulations and any other information that SGX-ST prescribes. <u>Before issuing statements of account in electronic form, the Trading Member must obtain the customer's prior revocable and informed consent. The Trading Member must retain evidence of the customer's consent. To constitute an informed consent, a customer must be told of the manner of delivery and retrieval of the electronic record and any costs that may be incurred.</u></p> <p><u>(2) in the case of a Trading Member that holds a licence specified Rule 4.1.1(1)(b), comply with such requirements as may be prescribed by the Relevant Regulatory Authority, including requirements relating to a customer's statement of account in electronic form. The Trading Member shall immediately notify SGX-ST on any changes to such requirements. Notwithstanding the foregoing, SGX-ST shall have the discretion to prescribe additional requirements.</u></p>
12.7.3	<del>12.7.3 Before issuing statements of account in electronic form, a Trading Member must obtain the customer's prior revocable and informed consent. The Trading Member must retain evidence of the customer's consent.</del>
12.7.4	<del>12.7.4 To constitute an informed consent under Rule 12.7.3, a customer must be told of the manner of delivery and retrieval of the electronic record and any costs that may be incurred.</del>
12.7.5	12.7.5 If asked by SGX-ST, a Trading Member must produce the statement of accounts in substantially the same form and containing the same information as were given to customers.
12.8	<p><b>12.8 AMENDMENT OF CONTRACT</b></p> <p>12.8.1 A Trading Member may amend a contract if there is a valid reason for the amendment.</p>
12.8.2	12.8.2 At least 1 senior management staff independent of sales or dealing of a Trading Member, or a senior management staff of a related corporation of that Trading Member charged with the contract amendment function, must approve the amendment of contract.
12.8.3	12.8.3 The approval must be given before the contract is amended.
12.9	<p><b>12.9 COMMUNICATION WITH THIRD PARTIES</b></p> <p>12.9.1 A Trading Member must communicate directly with its customers in respect of statements, contract notes, or all other information, whether in writing or electronically, unless the customer has authorised otherwise in writing.</p>
12.10	<b>12.10 PAYMENT TO CUSTOMERS</b>

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RULE	NEW / AMENDED RULES
	<p>12.10.1 All cheques to customers must be crossed, unless:—</p> <ol style="list-style-type: none"> <li>(1) the payee customer requests otherwise in writing; and</li> <li>(2) a senior management staff independent of sales or dealing of a Trading Member, or a senior management staff of a related corporation of that Trading Member charged with the payment function, authorises in writing the request.</li> </ol>
12.10.2	<p>12.10.2 A Trading Member must not accept a house cheque (a crossed cheque issued by the Trading Member in favour of a customer) from a customer unless:—</p> <ol style="list-style-type: none"> <li>(1) the customer is the payee of the cheque; and</li> <li>(2) the cheque is used to settle an amount owing by the customer to the Trading Member or is deposited into a trust account under Rule 12.11, as directed by the customer.</li> </ol>
<b><u>12.10A</u></b>	<p><b><u>12.10A CUSTOMER'S MONEY AND ASSETS</u></b></p> <p><u>12.10A.1 Subject to Rule 12.10A.2, a Trading Member must discharge its fiduciary obligations to its Customers by:</u></p> <ol style="list-style-type: none"> <li><u>(1) segregating Customers' monies and assets from the Trading Member's monies and assets;</u></li> <li><u>(2) depositing Customers' monies and assets in trust or custody accounts; and</u></li> <li><u>(3) separately accounting for the monies and assets of each Customer.</u></li> </ol> <p><u>12.10A.2 A Trading Member shall:</u></p> <ol style="list-style-type: none"> <li><u>(1) in the case of a Trading Member that holds a capital markets services licence, comply with such requirements prescribed in Rules 12.11 and 12.12; and</u></li> <li><u>(2) in the case of a Trading Member that holds a licence specified in Rule 4.1.1(1)(b), comply with such requirements as may be prescribed by the Relevant Regulatory Authority. The Trading Member shall immediately notify SGX-ST on any changes to such requirements. Notwithstanding the foregoing, SGX-ST shall have the discretion to prescribe additional requirements.</u></li> </ol>
12.11	<p><b>12.11 CUSTOMER'S AND REMISIER'S MONEY</b></p> <p>12.11.1 A Trading Member must comply with Part III, Divisions 2 and 4 of the Securities and Futures (Licensing and Conduct of Business) Regulations on customer's money. For the purpose of this Rule, "customer" includes a Remisier, unless otherwise specified.</p>
12.11.2	<p>12.11.2 Regulation 16(1)(b) of the Securities and Futures (Licensing and Conduct of Business) Regulations does not apply to a Remisier. A Trading Member must deposit all money received on account of a Remisier in a trust account.</p>
12.11.3	<p>12.11.3 A Trading Member must designate the accounts maintained with a financial institution specified in Regulation 17 of the Securities and Futures (Licensing and Conduct of Business) Regulations for a customer or a Remisier as a trust account, or customer or Remisier account, as the case may be.</p>
12.11.4	<p>12.11.4 A Trading Member must deposit money received on account of customers in a separate trust account from Remisiers.</p>

Underlined = Additions

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RULE	NEW / AMENDED RULES
12.11.5	12.11.5 A Trading Member must not commingle money received on account of its customers or its Remisiers with its own funds. However, a Trading Member may deposit its own funds into a trust account under the circumstances specified in Regulation 23(1) of the Securities and Futures (Licensing and Conduct of Business) Regulations.
12.11.6	12.11.6 A Trading Member must not withdraw a Remisier's money from a trust account except to:—  (1) pay the Remisier;  (2) meet any amount due and payable by the Remisier to the Trading Member;  (3) reimburse the Trading Member money advanced to the trust account, and any interest and returns that the Trading Member is entitled to, provided the withdrawal does not result in the trust account becoming under-funded; or  (4) make a payment or withdrawal that is authorised by law.
12.11.7	12.11.7 A Trading Member must notify the Remisier of the withdrawal made under Rule 12.11.6 by the next business day.
12.11.8	<u>12.11.8 This Rule shall not apply to a Trading Member that holds a licence specified in Rule 4.1.1(1)(b).</u>
12.12	<b>12.12 CUSTOMER'S AND REMISIER'S ASSETS</b>  12.12.1 A Trading Member must comply with Part III, Divisions 3 and 4 of the Securities and Futures (Licensing and Conduct of Business) Regulations on customer's assets. For the purpose of this Rule, "customer" includes a Remisier, unless otherwise specified.
12.12.2	12.12.2 Regulations 30, 33 and 34 of the Securities and Futures (Licensing and Conduct of Business) Regulations do not apply to a Remisier.
12.12.3	12.12.3 A Trading Member must designate the accounts maintained with a financial institution specified in Regulation 27 of the Securities and Futures (Licensing and Conduct of Business) Regulations for a customer or a Remisier as a trust account, or customer or Remisier account, as the case may be.
12.12.4	12.12.4 A Trading Member must deposit assets of its customers in a separate custody account from Remisiers.
12.12.5	12.12.5 Trading Member must not commingle the assets of a customer or Remisier with its own assets.
	12.12.6 A Trading Member must not withdraw a Remisier's assets from a custody account except to:—  (1) return the assets to the Remisier;  (2) use the assets to meet any amount due and payable by the Remisier to the Trading Member; or  (3) make a transfer or withdrawal that is authorised by law.
12.12.7	12.12.7 A Trading Member must notify the Remisier of the withdrawal under Rule 12.12.6 by the next business day.

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RULE	NEW / AMENDED RULES
12.12.8	12.12.8 For the purpose of this Rule, "Remisier's assets" means any securities and assets (other than money) that are beneficially owned by a Remisier.
<u>12.12.9</u>	<u>12.12.9 This Rule shall not apply to a Trading Member that holds a licence specified in Rule 4.1.1(1)(b).</u>
<b>12.13</b>	<p><b>12.13 Reporting of Delinquent Accounts</b></p> <p>12.13.1 A Trading Member <u>that holds a capital markets services licence</u> must inform SGX-ST (or any third party to whom SGX-ST has outsourced its operational functions) of the particulars of any customer account that it considers to be a delinquent account. SGX-ST (or the third party) may disseminate such information to all other Trading Members <u>that holds a capital markets services licence</u>.</p>
<b>12.14</b>	<p><b>12.14 Separation of Front Office and Back Office Functions</b></p> <p>12.14.1 A Trading Member must have processes in place to minimise and manage any conflicts of interest, including but not limited to separating its front office and back office functions to prevent any conflict of interests.</p>
<b>12.15</b>	<p><b>12.15 Stock Account</b></p> <p>12.15.1 All purchases and sales of securities or Futures Contracts by a Trading Member for its proprietary account must be made under a separate Stock Account of the Trading Member.</p>
12.15.2	12.15.2 A Stock Account must be operated by a Director, or his designate, who is licensed to trade.
12.15.3	12.15.3 A Trading Member must not allow a Remisier to operate a Stock Account.
<b>12.16</b>	<p><b>12.16 Suspense Account</b></p> <p>12.16.1(1) Subject to Rule 19.7, if a customer's order to purchase securities or trade in Futures Contracts is unlikely to be completed during a Market Day, the purchases (or trades in the case of Marginable Futures Contracts) may be debited to:—</p> <ul style="list-style-type: none"> <li>(a) a customer's suspense account; or</li> <li>(b) a general suspense account,</li> </ul> <p>until completion.</p> <p>(2) Once the order is completed, the purchases (or trades in the case of Marginable Futures Contracts) must be booked to the customer's account.</p> <p>(3) Orders must not be warehoused in the suspense account for more than 2 Market Days, unless under exceptional circumstances. In such cases, the Trading Member must document the reasons for the extension of time.</p>
12.16.2	<p>12.16.2 A customer's suspense account must be used only for that customer's trades. However, a Trading Member may execute trades in a customer's suspense account and subsequently book the trades to another customer's account if:—</p> <ul style="list-style-type: none"> <li>(1) it has obtained the prior written consent of:— <ul style="list-style-type: none"> <li>(a) the customer whose suspense account is being used; and</li> <li>(b) the customer to whom the trade is booked; and</li> </ul> </li> </ul>

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RULE	NEW / AMENDED RULES
	(2) it receives the booking instruction only after the trades have been executed in the customer's suspense account referred to in Rule 12.16.2(1)(a).
12.16.3	12.16.3 A general suspense account may be used to hold purchases or sales for different customers, if the Trading Member has procedures to ensure fair allocation to the customers.
12.16.4	12.16.4 A suspense account must not be used for error trades or proprietary trades.
<b>12.17</b>	<p><b>12.17 Trading by Employees and Agents</b></p> <p>12.17.1 A Trading Member must require a Director, Officer, Dealer and employee to obtain the prior written approval of a senior management staff independent of sales or dealing of a Trading Member, or a senior management staff of a related corporation of that Trading Member charged with the approval function, for each trade in his or her personal account or an account over which he or she has control or influence (other than a customer's Discretionary Account).</p>
12.17.2	12.17.2 A Trading Representative of the Trading Member must not execute an order for an account referred to in Rule 12.17.1, unless the order is authorised in writing as required under Rule 12.17.1.
12.17.3	12.17.3 A Trading Member must require a Director, Officer, Trading Representative or employee of the Trading Member to trade through it. However, if this is impractical, the Trading Member meets this Rule if it has procedures to monitor such trades and it documents the circumstances that give rise to the impracticality.
12.17.4	12.17.4 A Trading Member must not knowingly buy or sell securities or Futures Contracts for a Director, Officer, Trading Representative or employee of another Trading Member, except with the prior written approval of the other Trading Member.
12.17.5	12.17.5 A Trading Member must have in place procedures to ensure that agents who are privy to confidential information relating to dealing in securities or trading in Futures Contracts, do not use such information to trade for their own benefit.
12.17.6	12.17.6 A Trading Member must have in place procedures to monitor the trading activities of its Directors, Officers, Trading Representatives and employees.
<b>12.18</b>	<p><b>12.18 COMPLIANCE REVIEW</b></p> <p>12.18.1 A Trading Member must carry out checks from time to time to ensure compliance with:</p> <ul style="list-style-type: none"> <li>(1) the regulatory requirements of <del>the Authority</del> <u>such Relevant Regulatory Authority</u>;</li> <li>(2) <del>the</del> <u>the</u> Rules, and Directives; and</li> <li>(3) <del>its</del> <u>its</u> policies and procedures.</li> </ul> <p><u>12.8.2</u> The checks must be carried out by an internal audit or compliance department/person whose reporting line is independent of dealing, sales and operations.</p>
<b>12.19</b>	<p><b>12.19 Advertising</b></p> <p>12.19.1 A Trading Member must ensure that any advertising or publicity:—</p> <ul style="list-style-type: none"> <li>(1) is accurate;</li> </ul>

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RULE	NEW / AMENDED RULES										
	<p>(2) is not misleading;</p> <p>(3) does not contain claims that are not externally verifiable; and</p> <p>(4) does not tend to bring SGX or its related corporations, or other Trading Members, into disrepute.</p>										
<a href="#">12.9.2</a>	<a href="#">12.19.2 A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) shall not direct any advertising or publicity to deal in securities or Futures Contracts on SGX-ST to customers domiciled in Singapore or to the extent that it may be acted upon by customers in Singapore.</a>										
<b>12.20</b>	<p><b>12.20 Soft Dollar Commissions</b></p> <p>12.20.1 A Trading Member and its Trading Representatives may receive goods and services from a broker for directing business to the broker if:—</p> <p>(1) the goods and services can reasonably be expected to assist in the provision of services to the customer;</p> <p>(2) records of the goods and services received are maintained; and</p> <p>(3) there are appropriate internal controls and procedures for such arrangements.</p>										
12.20.2	<p>12.20.2 A Trading Member may pay for goods and services to customers for directing business to the Trading Member if:—</p> <p>(1) records of such payments are maintained;</p> <p>(2) there are procedures to control such arrangements; and</p> <p>(3) the arrangements do not violate any law, regulation or professional code of ethics on the part of the recipients.</p>										
<b>12.21</b>	<p><b>12.21 Use of Office Premises</b></p> <p>12.21.1 A Trading Member must not allow any unauthorised person to use, or operate out of, its office premises.</p>										
<b>12.22</b>	<p><b>12.22 Use of Prescribed Forms</b></p> <p>12.22.1 A Trading Member must use forms that SGX-ST prescribes.</p>										
<a href="#">12.23</a>	<p><a href="#">12.23 Application of Chapter 12</a></p> <p><a href="#">12.23.1 The following Rules shall not apply to a Trading Member that holds a licence specified in Rule 4.1.1(1)(b).</a></p> <table border="1" data-bbox="379 1704 1177 1984"> <thead> <tr> <th data-bbox="384 1711 544 1738"><a href="#">Rule</a></th> <th data-bbox="544 1711 1173 1738"><a href="#">Heading</a></th> </tr> </thead> <tbody> <tr> <td data-bbox="384 1738 544 1890"><a href="#">12.3.1,</a> <a href="#">12.3.2,</a> <a href="#">12.3.3,</a> <a href="#">12.3.4,</a> <a href="#">12.3.5</a></td> <td data-bbox="544 1738 1173 1890"><a href="#">Customer Accounts</a></td> </tr> <tr> <td data-bbox="384 1890 544 1917"><a href="#">12.3A</a></td> <td data-bbox="544 1890 1173 1917"><a href="#">Customer Education</a></td> </tr> <tr> <td data-bbox="384 1917 544 1951"><a href="#">12.4</a></td> <td data-bbox="544 1917 1173 1951"><a href="#">Trading Authority</a></td> </tr> <tr> <td data-bbox="384 1951 544 1984"><a href="#">12.8.2,</a></td> <td data-bbox="544 1951 1173 1984"><a href="#">Amendment of Contract</a></td> </tr> </tbody> </table>	<a href="#">Rule</a>	<a href="#">Heading</a>	<a href="#">12.3.1,</a> <a href="#">12.3.2,</a> <a href="#">12.3.3,</a> <a href="#">12.3.4,</a> <a href="#">12.3.5</a>	<a href="#">Customer Accounts</a>	<a href="#">12.3A</a>	<a href="#">Customer Education</a>	<a href="#">12.4</a>	<a href="#">Trading Authority</a>	<a href="#">12.8.2,</a>	<a href="#">Amendment of Contract</a>
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RULE	NEW / AMENDED RULES												
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<u>12.17</u>	<u>Trading by Employees and Agents</u>												
<u>12.23.2</u>	<u>12.23.2 A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) shall comply with such requirements established by the Relevant Regulatory Authority, if any, and principles of good business practice in relation to the areas set out in Rule 12.23.1.</u>												
<b>13.1</b>	<p><b>13.1 ACTING AS PRINCIPAL</b></p> <p>13.1.1 If a Trading Member or its Trading Representative wants to trade as principal with a customer who is not a holder of a capital markets services licence, the customer must first be informed.</p>												
13.1.2	13.1.2 <u>This Rule shall apply only to a Trading Member that holds a capital markets services licence.</u> Any contract note relating to the above transaction must show that the Trading Member or Trading Representative acted as principal.												
13.1.3	13.1.3 This Rule does not apply to trades that are matched on the Trading System without the Trading Member's or Trading Representative's knowledge.												
13.10	<p><b>13.10 Order Entry Person</b></p> <p>13.10.1 A Trading Member may appoint a person to enter orders on the Trading System on instructions given by a Trading Representative or team of Trading Representatives. A Trading Member must ensure that a Trading Representative is supported by no more than 1 order entry person. For avoidance of doubt, an order entry person who supports a Remisier must be appointed by a Trading Member.</p>												
13.10.2	<p>13.10.2 A Trading Member must ensure that the order entry person does not:—</p> <ol style="list-style-type: none"> <li>(1) deal in securities or trade in Futures Contracts;</li> <li>(2) exercise any discretion over the entry of orders;</li> <li>(3) give investment advice or make recommendations to customers;</li> <li>(4) accept instructions from customers;</li> <li>(5) communicate with customers regarding settlement; or</li> <li>(6) collect cash, cheques or share certificates on behalf of the Trading Member, designated Trading Representative(s) or customers.</li> </ol>												
13.10.3	13.10.3 A Trading Member must provide SGX-ST with the name and identity card/passport number of the order entry persons appointed.												
13.10.4	13.10.4 A Trading Member must inform SGX-ST in writing if an order entry person ceases to act. If possible, at least 7 days prior notice should be given.												
<b>13.12</b>	<b>13.12 Identification and Password</b>												

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RULE	NEW / AMENDED RULES
	13.12.1 A Trading Representative must have a unique identification number of not more than 3 characters and password to enter orders into the Trading System and must maintain confidentiality of the identification number and password.
13.12.2	13.12.2 A Trading Member must submit, upon admission, a list of Trading Representative identification numbers and names to SGX-ST, and notify SGX-ST of any amendments to the list on an ongoing basis.
<b>13.13</b>	<b>13.13 Off Premises Broking</b>  13.13.1 Before allowing its Trading Representatives to carry out dealing activities outside its office premises, a Trading Member must inform SGX-ST.
13.13.2	13.13.2 A Trading Member must inform all customers that Trading Representatives are operating away from its office premises and of any resulting limitations that might affect customer service and get written acknowledgement.
13.13.3	13.13.3 A Trading Member must ensure its Trading Representatives do not misuse customers' accounts for third party trading. In this regard, contract notes and statements must be sent to the customer's residential address, and not to "care-of" address, "PO Box" address or the Trading Representative's address. However, if the customer chooses otherwise, the Trading Member must explain the risk of unauthorised trading to the customer, get written acknowledgement, and monitor the trading activities for any unauthorised trading in customers' accounts.
<u>13.13.4</u>	<u>13.13.4 Rules 13.13.1 to 13.13.3 shall apply only to a Trading Member that holds a capital markets services licence. A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) shall comply with such requirements established by the Relevant Regulatory Authority, if any, and principles of good business practice in relation to carrying out dealing activities outside its office premises.</u>
14.1	<b>14.1 EXCHANGE INVESTIGATIONS</b>  14.1.1 SGX-ST may conduct an investigation if:—  (1) the investigation involves a possible breach of the Securities and Futures Act, Securities and Futures Regulations, <u>any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</u> , Rules, or Directives;  (2) SGX-ST receives a written complaint involving a Trading Member, Director, Trading Representative, Officer, employee or agent;  (3) there is a dispute between Trading Members on a trading matter; or  (4) in SGX-ST's opinion, the circumstances warrant.
14.1.2	14.1.2 SGX-ST will conduct an investigation if the Authority directs.
14.1.3	14.1.3 SGX-ST may require a Trading Member, any of its Directors, Trading Representatives, Officers, employees or agents to:—  (1) render all assistance as SGX-ST requires, at SGX-ST's premises or elsewhere; and  (2) provide SGX-ST with information, books and records which, in SGX-ST's opinion, may be relevant to the investigation.

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RULE	NEW / AMENDED RULES
14.1.4	14.1.4 A Trading Member, Director, Trading Representative, Officer, employee or agent must not wilfully make, furnish or permit the making or furnishing of any false or misleading information, statement or report to SGX-ST.
14.1.5	14.1.5 SGX-ST may appoint any person or persons to assist in its investigation (the "Exchange Examiners").
14.1.6	14.1.6 SGX-ST may delegate all or any of its powers under this Rule to the Exchange Examiner. The Exchange Examiner must report the results of the investigation to SGX-ST.
<b>14.5</b>	<p><b>14.5 DISCIPLINARY COMMITTEE POWERS</b></p> <p>14.5.1 The Disciplinary Committee may exercise its powers against a Trading Member, an Approved Executive Director or a Trading Representative who:—</p> <ol style="list-style-type: none"> <li>(1) breaches the Securities and Futures Act, <del>or</del> <u>Securities and Futures Regulations or relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</u>;</li> <li>(2) breaches the Rules or Directives;</li> <li>(3) breaches any relevant law or regulation which governs that person's other business activities;</li> <li>(4) breaches the rules of any other exchange;</li> <li>(5) breaches any provisions involving fraud or dishonesty, whether in or out of Singapore;</li> <li>(6) breaches director's duties;</li> <li>(7) engages in conduct that has the effect of circumventing the Securities and Futures Act, Securities and Futures Regulations, <u>relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</u>, the Rules, or Directives;</li> <li>(8) engages in conduct which is inconsistent with just and equitable principles of trading; or</li> <li>(9) engages in conduct detrimental to the financial integrity, reputation or interests of SGX-ST, or markets established or operated by SGX-ST.</li> </ol>
14.5.2	14.5.2 The Disciplinary Committee may exercise its powers against a Trading Member or an Approved Executive Director (or both) if a Director, Trading Representative, Officer, employee or agent breaches, or causes the Trading Member to breach, the Rules or Directives.
14.5.3	14.5.3 A former Trading Member, Approved Executive Director or Trading Representative is bound by the Rules in respect of acts or omissions occurring before the registration ended or before expulsion. SGX-ST and the Disciplinary Committee retain their respective jurisdiction notwithstanding registration ending or expulsion.
14.5.4	<p>14.5.4 The powers of the Disciplinary Committee include:—</p> <ol style="list-style-type: none"> <li>(1) expelling a registered person. The Disciplinary Committee may order a registered person to be expelled notwithstanding that he has resigned;</li> <li>(2) suspending a registered person;</li> </ol>

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RULE	NEW / AMENDED RULES
	<ul style="list-style-type: none"> <li>(3) imposing a fine not exceeding S\$250,000 on a registered person;</li> <li>(4) reprimanding (publicly or privately) a registered person;</li> <li>(5) requiring an education program to be undertaken;</li> <li>(6) requiring a compliance program to be undertaken;</li> <li>(7) imposing any restrictions or conditions on activities that a registered person undertakes;</li> <li>(8) requiring reimbursement or compensation to be paid;</li> <li>(9) ordering payment of fine by installments;</li> <li>(10) ordering a stay of the penalty imposed, pending an appeal to the Appeals Committee;</li> <li>(11) requiring any Director to step down from day-to-day conduct of the business affairs of the Trading Member; and</li> <li>(12) confirming, changing or discharging the appointment of a Manager under Rule 14.12.2(d).</li> </ul>
14.5.5	<p><b>14.5.5 Mandatory Minimum Penalties to be Imposed by Disciplinary Committee for certain Rule violations</b></p> <ul style="list-style-type: none"> <li>(1) 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.</li> <li>(2) Where a minimum penalty has been stipulated in respect of a particular Rule violation, if the Disciplinary Committee is satisfied that SGX-ST has proved on a balance of probabilities that the Trading Member, an Approved Executive Director or a Trading Representative has committed the conduct described in the charge, the Disciplinary Committee: <ul style="list-style-type: none"> <li>(a) shall impose a penalty, pursuant to its power under Rule 14.5.4(3), not lower than the minimum amount as stated in the thirteenth column of Schedule A, for that particular Rule violation; and</li> <li>(b) may choose to impose, in addition to the penalty in subsection (a), any one or more of the sanction(s) as set out in Rule 14.5.4.</li> </ul> </li> </ul>
14.12	<p><b>14.12 INTERIM POWERS OF SGX-ST</b></p> <p>14.12.1 Action Against Registered Persons</p> <ul style="list-style-type: none"> <li>(1) SGX-ST may suspend, or otherwise restrict the activities of, a Trading Member, an Approved Executive Director or a Trading Representative if the person is charged with:- <ul style="list-style-type: none"> <li>(a) an offence under the Securities and Futures Act or Securities and Futures Regulations <u>or an offence under any other relevant applicable laws and regulatory requirements relating to the regulation of markets and licenced entities</u>;</li> <li>(b) an offence involving fraud or dishonesty, whether in or out of Singapore;</li> <li>(c) an offence relating to director's duties; or</li> </ul> </li> </ul>

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RULE	NEW / AMENDED RULES
	<p>(d) an offence under any relevant law or regulation which governs that person's other business activities.</p> <p>(2) The suspension or restriction ends if the Trading Member, Approved Executive Director or Trading Representative is acquitted or the charge is not proceeded with.</p>
	<p>14.12.2 If SGX-ST is of the opinion that:—</p> <p>(1) a Trading Member has, or may have, insufficient capital for the conduct of its business; or</p> <p>(2) a review should be carried out in respect of a Trading Member's management policies or business conduct in the interests of the Trading Member, SGX-ST, or markets established or operated by SGX-ST,</p> <p>SGX-ST may do any or all of the following:—</p> <p>(a) require the Trading Member to operate its business subject to such restrictions or conditions as SGX-ST decides;</p> <p>(b) suspend the Trading Member for a period SGX-ST decides. The suspension will be announced to all Trading Members. During the suspension, the Trading Member:—</p> <p style="padding-left: 40px;">(i) must not enter into a new transaction without the approval of SGX-ST; and</p> <p style="padding-left: 40px;">(ii) remains liable to complete all contracts outstanding at the time of suspension. However, it must not deliver any securities or settle any transaction without the approval of SGX-ST.</p> <p>(c) require any Director to step down from day-to-day conduct of the business affairs of the Trading Member; and</p> <p>(d) appoint a Manager to manage the business of the Trading Member. SGX-ST will fix the remuneration of the Manager, which must be paid by the Trading Member. The Trading Member is solely responsible for the Manager's acts and defaults. The Manager must carry out directions given by SGX-ST in relation to the business of the Trading Member, including carrying on the business of the Trading Member in accordance with instructions.</p>
14.12.3	<p><b>14.12.3 Action Against Defaulters</b></p> <p>(1) SGX-ST may declare a Trading Member to be a defaulter if, in its opinion, the Trading Member:—</p> <p style="padding-left: 40px;">(a) has failed, is unable, or unwilling, to fulfill its obligations to SGX-ST or its customers; or</p> <p style="padding-left: 40px;">(b) is apparently insolvent.</p> <p>(2) A Trading Member that commits an act that may result in it being declared a defaulter under Rule 14.12.3(1) must inform SGX-ST immediately. A Trading Member against whom any such act is committed must also inform SGX-ST immediately.</p> <p>(3) A Trading Member's access to markets established or operated by SGX-ST ceases if it is declared a defaulter. The access may be reinstated by SGX-ST. The Trading Member remains liable to SGX-ST, other Trading Members and its customers for all</p>

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RULE	NEW / AMENDED RULES				
	<p>obligations incurred before its access ceased.</p> <p>(4) SGX-ST will notify all Trading Members of the declaration of default and the reinstatement (if applicable).</p> <p>(5) SGX-ST may allow an open transaction with a defaulter to be closed as SGX-ST directs.</p> <p>(6) Action under this Rule is in addition to other actions which SGX-ST is entitled to take against the Trading Member.</p>				
14.12.4	14.12.4 Subject to Rule 14.12.5, SGX-ST will notify the Trading Member, Approved Executive Director or Trading Representative in writing before it exercises any of its powers under this Rule.				
14.12.5	14.12.5 If, in SGX-ST's opinion, it is necessary to protect the financial integrity, reputation or interests of SGX-ST, or markets established or operated by SGX-ST, it may exercise its powers under this Rule without prior notice to the Trading Member, Approved Executive Director or Trading Representative. SGX-ST will notify the Trading Member, Approved Executive Director or Trading Representative in writing after it has exercised the powers.				
14.12.6	14.12.6 SGX-ST will refer the matter (together with an account of its exercise of the interim powers) to the Disciplinary Committee for a decision within 14 days of SGX-ST's notification of its actions under this Rule. The Disciplinary Committee proceedings in Rule 14.6 apply. The Disciplinary Committee may expedite the proceedings if it thinks fit. SGX-ST's notification will serve as the written notice under Rule 14.6.1.				
New Rule	<p><b><u>15.1A APPLICATION OF CHAPTER</u></b></p> <p><u>15.1A.1 This Chapter shall not apply to a Trading Member who holds a licence specified in Rule 4.1.1(1)(b). Such a Trading Member shall comply with such requirements established by the Relevant Regulatory Authority, if any, and principles of good business practice in relation to the areas set out in Chapter 15 for its business activities on SGX-ST.</u></p>				
New Rule	<p><b><u>16.1A APPLICATION OF CHAPTER</u></b></p> <p><u>16.1A.1 This Chapter shall not apply to a Trading Member who holds a licence specified in Rule 4.1.1(1)(b). Such a Trading Member shall comply with such requirements established by the Relevant Regulatory Authority, if any, and principles of good business practice in relation to the areas set out in Chapter 16 for its business activities on SGX-ST.</u></p>				
17.1	<p><b>17.1 APPLICATION OF CHAPTER</b></p> <p>17.1.1 This Chapter does not apply to a Trading Member <u>who holds a licence specified in Rule 4.1.1(1)(b). Such a Trading Member shall comply with such requirements established by the Relevant Regulatory Authority, if any, and principles of good business practice in relation to the areas set out in Chapter 17 for its business activities on SGX-ST.</u></p>				
18.1.2	<p><b>18.1 APPLICABILITY AND DEFINITIONS</b></p> <p>18.1.2 <b>Definitions</b></p> <p>In this Chapter, (except where the context otherwise requires):—</p> <table border="1" data-bbox="288 1921 938 2009"> <thead> <tr> <th data-bbox="288 1921 619 1955">Term</th> <th data-bbox="619 1921 938 1955">Meaning</th> </tr> </thead> <tbody> <tr> <td data-bbox="288 1955 619 2009">"Customer";</td> <td data-bbox="619 1955 938 2009">the term "customer" in respect of any Trading</td> </tr> </tbody> </table>	Term	Meaning	"Customer";	the term "customer" in respect of any Trading
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RULE	NEW / AMENDED RULES		
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	Member shall include any Trading Representative, Director, employee or officer of the Trading Member.		
19.7	<p><b>19.7 SUSPENSE ACCOUNTS AND ACCOUNTS WITH MORE THAN ONE BENEFICIAL OWNER</b></p> <p>19.7.1 Unless otherwise permitted by SGX-ST, a Trading Member must not:</p> <ul style="list-style-type: none"> <li>(a) use such suspense accounts as described in Rule 12.16 to trade in Marginable Futures Contracts; and</li> <li>(b) other than joint accounts, allow any account that has more than one beneficial owner to trade in Marginable Futures Contracts.</li> </ul>		
19.8	<p><b>19.8 MANAGEMENT OF POSITIONS</b></p> <p>19.8.1 A Trading Member must immediately notify SGX-ST of the details of any account carried on its books that exceeds the monitoring thresholds on positions that have not been offset, as prescribed by SGX-ST from time to time. Such monitoring thresholds may be imposed on any account or any single customer, and may include any one or a combination of the following:—</p> <ul style="list-style-type: none"> <li>(1) maximum number of lots of long positions that have not been offset, in gross or net, in any Marginable Futures Contract; and</li> <li>(2) maximum number of lots of short positions that have not been offset, in gross or net, in any Marginable Futures Contract.</li> </ul> <p>"single customer" in this Rule 19.8 shall have the meaning ascribed to it in Rule 11.7.5.</p>		
19.8.2	<p>19.8.2 SGX-ST shall, in the interest of maintaining a fair, orderly and transparent market, monitor the total number of positions that have not been offset, of all accounts opened with all Trading Members in any Marginable Futures Contract on either side (long or short), or both sides of the market, and where appropriate, take action under Rule 19.8.3.</p>		
19.8.3	<p>19.8.3 To reduce a Trading Member's risk exposure in trading and dealing in any Marginable Futures Contracts, or for the purpose of maintaining a fair, orderly and transparent market, SGX-ST shall have the right to impose on the Trading Member such measures as it deems necessary or desirable. The Trading Member must comply with all measures which are imposed by SGX-ST. These may include:—</p> <ul style="list-style-type: none"> <li>(1) additional margin requirements; and</li> <li>(2) offsetting existing positions.</li> </ul>		
19.8.4	<p>19.8.4 In determining the monitoring thresholds prescribed under Rules 19.8.1 and 19.8.2, and the risk management measures prescribed under Rule 19.8.3, SGX-ST may consider the following factors:—</p> <ul style="list-style-type: none"> <li>(1) matters relating to any position, including the number of issued shares, free float, liquidity or volatility of the underlying;</li> </ul>		

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RULE	NEW / AMENDED RULES												
	<p>(2) the financial position of the Trading Member;</p> <p>(3) the Trading Member's credit exposure to a single customer; and</p> <p>(4) any such other factors that SGX-ST deems necessary to maintain a fair, orderly and transparent market.</p>												
19.8.5	<p>19.8.5 In computing positions that have not been offset for the purpose of Rule 19.8, the positions of all accounts directly or indirectly owned or controlled by a person or persons, and the positions of all accounts of any person or persons acting in concert and the positions of all accounts in which a person or persons have a proprietary or beneficial interest, shall be accumulated and deemed to be the positions of each of such persons as if each owned or controlled all the aggregate positions individually.</p>												
19.10	<p><b>19.10 MARGIN REQUIREMENTS</b></p> <p>19.10.1 For the purpose of this Rule 19.10:—</p> <table border="1" data-bbox="288 813 1382 1765"> <thead> <tr> <th data-bbox="288 813 608 846">Term</th> <th data-bbox="608 813 1382 846">Meaning</th> </tr> </thead> <tbody> <tr> <td data-bbox="288 846 608 936">"Customer Asset Value"</td> <td data-bbox="608 846 1382 936">refers to moneys and the market value of assets in a customer's account subject to such hair-cut as specified by SGX-ST.</td> </tr> <tr> <td data-bbox="288 936 608 1059">"Initial Margins"</td> <td data-bbox="608 936 1382 1059">refers to the minimum amount required to be deposited by customers, as prescribed by CDP, with a Trading Member for positions in Marginable Futures Contracts. This minimum amount is distinct from and in addition to Variation Margins.</td> </tr> <tr> <td data-bbox="288 1059 608 1458">"Maintenance Margins"</td> <td data-bbox="608 1059 1382 1458">refers to that component of Required Margins, as determined by CDP, which must be maintained in a customer's account subsequent to the deposit of Initial Margins for that customer's positions in Marginable Futures Contracts.</td> </tr> <tr> <td data-bbox="288 1458 608 1547">"Required Margins"</td> <td data-bbox="608 1458 1382 1547">refers to the sum of Maintenance Margins and Variation Margins.</td> </tr> <tr> <td data-bbox="288 1547 608 1765">"Valuation Price"</td> <td data-bbox="608 1547 1382 1765">means the official price of Marginable Futures Contracts prescribed by SGX-ST for the purpose of determining Variation Margins.</td> </tr> </tbody> </table>	Term	Meaning	"Customer Asset Value"	refers to moneys and the market value of assets in a customer's account subject to such hair-cut as specified by SGX-ST.	"Initial Margins"	refers to the minimum amount required to be deposited by customers, as prescribed by CDP, with a Trading Member for positions in Marginable Futures Contracts. This minimum amount is distinct from and in addition to Variation Margins.	"Maintenance Margins"	refers to that component of Required Margins, as determined by CDP, which must be maintained in a customer's account subsequent to the deposit of Initial Margins for that customer's positions in Marginable Futures Contracts.	"Required Margins"	refers to the sum of Maintenance Margins and Variation Margins.	"Valuation Price"	means the official price of Marginable Futures Contracts prescribed by SGX-ST for the purpose of determining Variation Margins.
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"Customer Asset Value"	refers to moneys and the market value of assets in a customer's account subject to such hair-cut as specified by SGX-ST.												
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"Maintenance Margins"	refers to that component of Required Margins, as determined by CDP, which must be maintained in a customer's account subsequent to the deposit of Initial Margins for that customer's positions in Marginable Futures Contracts.												
"Required Margins"	refers to the sum of Maintenance Margins and Variation Margins.												
"Valuation Price"	means the official price of Marginable Futures Contracts prescribed by SGX-ST for the purpose of determining Variation Margins.												

RULE	NEW / AMENDED RULES	
	"Variation Margins"	refers to that component of Required Margins comprising the mark-to-market gains and losses, in relation to the price at which the Marginable Futures Contract was bought or sold, arising from the daily valuation of positions, except that Variation Margins are not required if the Trading Member permits a customer to realise a gain or loss pursuant to executing a trade to offset an existing position.
19.10.2	<p>19.10.2 (1) A Trading Member must procure Initial Margins from its customers and must require the customers to meet the Required Margins for the purpose of meeting margin requirements of Marginable Futures Contracts within two Market Days from the trade date (T+2). Initial Margins and Required Margins must be met in the form of collateral as prescribed by SGX-ST from time to time. Such collateral must be in the form of cash, government securities, selected common stocks, bank certificates of deposit, gold bars, gold certificates, or such other instruments as SGX-ST permits. Valuation of such collateral must be in accordance with the hair-cut rates prescribed by SGX-ST.</p> <p>(2) <u>Except for a Trading Member that holds a licence specified in Rule 4.1.1(1)(b), a Trading Member shall not accept as collateral, currency Currency</u> and financial instruments denominated in currencies which are subject to exchange controls such that they are illegal tender outside the currency's home country, or are restricted by any form of capital controls <del>are not acceptable forms of collateral</del> for the purpose of meeting margin requirements of Marginable Futures Contracts.</p>	
19.10.3	<p>19.10.3 If the Customer Asset Value falls below the Required Margins, the Trading Member must call for additional margins from the customer to bring the Customer Asset Value balance to no less than the sum of Initial Margins and Variation Margins within two Market Days from the date the Customer Asset Value falls below the Required Margins.</p>	
19.10.4	<p>19.10.4 Except for trades which reduce a customer's Required Margins, a Trading Member must not allow a customer to incur any new trade unless:—</p> <p>(1) the minimum Initial Margins for the new trade are deposited or the Trading Member has reason to believe that the minimum Initial Margins will be deposited within two Market Days from the trade date (T+2); and</p> <p>(2) the Customer Asset Value complies with the Required Margins, or the Trading Member has reason to believe that the additional margins to be deposited pursuant to Rule 19.10.3 will be deposited within two Market Days from the trade date (T+2).</p>	
19.10.5	<p>19.10.5 (1) Nothing in these Rules prohibits a Trading Member from imposing stricter Initial Margins and Maintenance Margins requirements, higher hair-cut rates, shorter payment periods for customers to deposit collateral, more frequent valuations of positions and collateral,</p>	

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RULE	NEW / AMENDED RULES
	<p>and making calls for additional margins, as it sees fit.</p> <p>(2) Trading Members must not set margin requirements that are less stringent than those prescribed by SGX-ST.</p>
19.10.6	19.10.6 Where a customer fails to meet the margin requirements under Rules 19.10.2 and 19.10.3, the Trading Member may take actions as it deems appropriate, without giving notice to the customer, to reduce its exposures to the customer. Such actions may include liquidating all or such part of the customer's collateral deposited with the Trading Member, or taking action to offset all or such part of the customer's positions. SGX-ST may also order such Trading Member to immediately to take such action to offset all or such part of the positions of the customer to rectify the deficiency.
19.10.7	19.10.7 Mark to market gains of a customer may be utilised by the Trading Member to meet Initial Margins for the same customer.
19.10.8	<p>19.10.8 A Trading Member may allow a customer to withdraw Excess Margins provided such withdrawal will not cause the Customer Asset Value to be less than zero.</p> <p>"Excess Margins" refers to the amount of Customer Asset Value that is in excess of the sum of the Initial Margins and Variation Margins.</p>
19.10.9	19.10.9 If a Trading Member is unable to contact a customer to call for margins, a written notice sent to the customer at the most recent address furnished by the customer to the Trading Member shall be deemed sufficient.
19.10.10	19.10.10 A Trading Member must comply with such requirements on the computation and monitoring of a customer's margins as SGX-ST may prescribe.
19.10.11	<p>19.10.11 <b>Under-Margined Accounts</b></p> <p>(1) A Trading Member must immediately notify SGX-ST when the Customer Asset Value in any account does not meet the sum of Initial Margins and Variation Margins by an amount which exceeds the Trading Member's aggregate resources <u>or such other thresholds as may be determined by SGX-ST</u>, except that no notification is required for the Trading Member's own Stock Account.</p> <p>(2) SGX-ST may require the Trading Member to submit to SGX-ST information pertaining to any matter in such form and within such time as may be stipulated by SGX-ST.</p>
19.10.12	<p>19.10.12 <b>Customer to Comply with Margin Requirements</b></p> <p>For the avoidance of doubt, a Trading Member must require a customer to comply with the margin requirements prescribed under Rule 19.10, even if the customer has entered into an arrangement to meet his delivery obligations in connection with Marginable Futures Contracts.</p>
19.10.13	<p>19.10.13 <b>Prohibition on Margin Financing</b></p> <p>For the avoidance of doubt, a Trading Member must not under any circumstances enter into a financing arrangement with a customer in respect of that customer's margins requirements which would allow the customer to trade without meeting the margin requirements prescribed under Rule 19.10.</p>
19.11	<p>19.11 <b>CAPITAL REQUIREMENT FOR MARGINABLE FUTURES CONTRACTS</b></p> <p>(1) For the purpose of calculating counterparty risk requirements under the Third Schedule</p>

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RULE	NEW / AMENDED RULES
	<p>of Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations:</p> <p>(a) "margin deficiency" referred to in the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations is the amount required for the Customer Asset Value to meet the Variation Margin and Maintenance Margin, and in the case where Customer Asset Value is not sufficient to meet Variation Margin, the margin deficiency is the amount of Maintenance Margin; and</p> <p>(b) "negative equity" referred to in the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations is the amount required for the Customer Asset Value to meet the Variation Margin.</p> <p>(2) For the avoidance of doubt, a Trading Member shall compute Total Risk Requirement for Marginable Futures Contracts in the same manner as prescribed in the Third Schedule of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations.</p>
<b>19.9</b>	<p><b>19.9 INTERNAL CONTROLS</b></p> <p>19.9.1 A Trading Member must establish and maintain adequate internal control systems to:—</p> <ol style="list-style-type: none"> <li>(1) set credit limits or position limits;</li> <li>(2) monitor positions to manage market and credit risks, and comply with notification requirements on monitoring thresholds as prescribed by SGX-ST;</li> <li>(3) compute and collect margins, including conducting daily valuation of customers' positions and collateral;</li> <li>(4) monitor margin calls;</li> <li>(5) manage customers' accounts that are in margin deficit;</li> <li>(6) manage customers' accounts that may fail to meet settlement obligations;</li> <li>(7) define and manage sources of liquidity to ensure that there are sufficient liquidity facilities to meet increased settlement obligations;</li> <li>(8) limit the impact of significant market movements through the use of tools such as cash flow projections, stress testing or credit limits; and</li> <li>(9) meet such other requirements as SGX-ST may prescribe from time to time.</li> </ol>
<b>Directive No. 1</b>	<p><b>DIRECTIVE NO. 1 — DIRECTORSHIP OF SGX-ST LISTED COMPANIES</b></p> <p>[.]</p> <p>7 An Approved Executive Director or Trading Representative who is a director of an SGX-ST listed company must keep a record of his share transactions in that company. If the <u>AED</u> <u>Approved Executive Director</u> or <u>TR</u> <u>Trading Representative</u> is required to maintain a register of securities, that will suffice. SGX-ST may inspect the record at any time or take extracts of it.</p>
<b>Practice Note</b>	<b>Practice Note 4.6.21 — Business Continuity Requirements</b>

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RULE	NEW / AMENDED RULES
4.6.21	<p>[.]</p> <p><b><u>2.4 Application to a General Trading Member that holds a licence specified in Rule 2.4.1(b)</u></b></p> <p><u>2.4.1 The features of a business continuity plan set out in paragraphs 2.1, 2.2 and 2.3 may not be applicable to a General Trading Member that holds a licence specified in specified in Rule 4.1.1(1)(b). The guidance for such Trading Members is set out in Practice Note 4.6.21; 12.1.1; 12.3.6; 12.6.4; 12.7.2; 12.10A.2; 12.19.</u></p> <p>[.]</p>
Practice Note 12.3.1	<p><b>PRACTICE NOTE 12.3.1 — VERIFICATION PROCEDURE IN RESPECT OF CUSTOMER'S IDENTITY</b></p> <p>[.]</p> <p><b>2 Verification Procedure</b></p> <p>2.1 A Trading Member may employ 1 or more of the following means to establish a customer's identity:—</p> <p>(1) Accept account opening forms that are certified by:—</p> <p>(a) a Justice of Peace, a commissioner for oaths, a notary public, or an advocate and solicitor;</p> <p>(b) members of other securities exchanges which have established information sharing agreements with SGX-ST; or</p> <p>(c) branches of banks <del>which operate in Singapore and with</del> which the customer holds a banking account.</p> <p>A Trading Member may verify the certification through direct telephone contact with persons performing the certification;</p> <p>(2) Establish telephone contact with the applicant on an independently verified home or business number;</p> <p>(3) With the customer's consent, contact the personnel department of the customer's employer on a listed business number to confirm his employment; or</p> <p>(4) Obtain from the customer statements from a bank, Central Provident Fund Board, <del>or</del> income tax authority <u>or such equivalent authority</u>.</p> <p>[.]</p>
Practice Note 8.6	<p><b>PRACTICE NOTE 8.6 — APPLICATION OF THE FORCED ORDER RANGE</b></p> <p>[.]</p> <p><b>2. Risk Management Controls</b></p> <p>2.1 In order to mitigate the occurrence of error trades resulting from errors in the entry of order prices, <u>Trading</u> Members should:</p> <p>(a) ensure that the Forced Key alert is available;</p>

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RULE	NEW / AMENDED RULES
	<p>(b) encourage Trading Representatives to exercise judgment when accepting an instruction from a customer to execute an order priced outside the Forced Order Range; and</p> <p>(c) ensure that procedures are in place to determine if there are legitimate commercial reasons for orders priced outside the Forced Order Range.</p>
Definitions	<p><b>DEFINITIONS AND INTERPRETATIONS</b></p> <p><b>DEFINITIONS</b></p> <p>The following terms shall have the following meanings unless the context requires otherwise:-</p> <p><del>“Public Register of Representatives” Refers to the records of appointed representatives, provisional representatives and temporary representatives kept by the Authority in accordance with the Securities and Futures Act;</del></p>
Definitions	<p><b>DEFINITIONS AND INTERPRETATIONS</b></p> <p><b>DEFINITIONS</b></p> <p>The following terms shall have the following meanings unless the context requires otherwise:-</p> <p>[.]</p> <p><u>“Relevant Regulatory Authority”</u></p> <p><u>Shall mean:</u></p> <p><u>(a) the authority(ies) or regulatory body(ies) that regulate(s) a Trading Member’s or its Trading Representatives’ activities in the country where it is carrying on such activities; and</u></p> <p><u>(b) where the Trading Member or its Trading Representatives are carrying on regulated activities in Singapore, the Authority.</u></p> <p>“Remisier”</p> <p>A Trading Representative who has a business arrangement with a Trading Member <u>that holds a capital markets services licence</u> for dealing in securities or trading in Futures Contracts. A Remisier is not an employee of a Trading Member;</p> <p>[.]</p>

**DIRECTIVE No 7: COMPUTATION OF NET LIQUID CAPITAL FOR TRADING MEMBERS THAT HOLD A LICENCE SPECIFIED IN RULE 4.1.1(1)(b)**

Issue Date	Cross Reference	Enquiries
Issued on [.]	Rule 11.1A.1(2)(b) Rule 11.10.1(2)	Please contact Member Supervision:—  Facsimile No : 6538 8273

**1. Introduction**

1.1. This Regulatory Notice sets out the computation of the net liquid capital requirement for a Trading Member that holds a licence specified in Rule 4.1.1(1)(b) pursuant to Rules 11.1A.1(2)(b) and 11.10.1(2).

**2. Net Liquid Capital**

2.1. A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) shall compute its net liquid capital as follows:

**COMPUTATION OF NET LIQUID CAPITAL**

**Shareholders' Funds<sup>1</sup>**

Less:

(a) Illiquid assets<sup>2</sup>

(b) Pre-paid expenses<sup>3</sup>

(c) Deposits<sup>4</sup>

(d) Deferred tax assets

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<sup>1</sup> Shareholders' funds means the sum of the ordinary paid-up capital, non-redeemable preference share capital and reserves after deduction of any debit balance appearing in the profit and loss account of the Trading Member.

<sup>2</sup> These are assets considered not readily convertible into cash within 30 days which includes intangible assets (goodwill); fixed assets (furniture, fixtures, and building etc).

<sup>3</sup> These include items such as rent and insurance.

<sup>4</sup> Deposits exclude items such as:-

- i. a current account balance, saving account deposit or fixed deposit, including accrued interest, with:
  - (a) a bank licensed under the Banking Act (Cap. 19);
  - (b) a merchant bank approved as a financial institution under the Monetary Authority of Singapore Act (Cap. 186);
  - (c) a finance company licensed under the Finance Companies Act (Cap.108); or
  - (d) a bank outside Singapore which is subject is approved, licensed, registered or otherwise regulated by a banking regulatory authority in a foreign jurisdiction to carry on banking business; or
- ii. a deposit with any of the following:
  - (a) an approved exchange;
  - (b) a recognised exchange;
  - (c) a designated clearing house;
  - (d) a clearing facility appointed by a recognised exchange; or
  - (e) an entity which is a member of any entity referred to in sub-paragraphs (a) to (d);

where a recognised exchange means an overseas exchange regulated by a financial service regulatory authority of a country or territory specified under Group A in Table 4 of the Fourth Schedule of the SFR (Financial and Margin Requirements).

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(e) Investments in unquoted securities	_____
(f) Deficits in clients' accounts less any provisions for bad and doubtful debts <sup>5</sup>	_____
(g) Charged assets <sup>6</sup>	_____
(h) Excess of book value of securities carried in own account over market value	_____
(i) Current assets doubtful of collection less any provisions already made	_____
(j) Diminution in the value of securities underwritten	_____
(k) Unsecured loans and unsecured advances included as current assets	_____
(l) Unsecured amounts due from each director and his connected person	_____
(m) Unsecured amounts due from related companies	_____
<b>NET LIQUID CAPITAL</b>	_____

**3. Submission of Financial Returns to SGX-ST**

3.1. A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) shall submit financial returns in the form as set out in paragraph 2.1 on a monthly basis pursuant to Rule 11.10 and on an annual basis pursuant to Rule 11.11.

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<sup>5</sup> Deficits in clients' accounts means -

- i. For a purchase contract which remains fully or partially unpaid, the excess of the amount owed by the client over the market value of the underlying securities of which the client had failed to take delivery after the due date and of any additional securities lodged by the client with the Trading Member as collateral;
- ii. For a sale contract where the securities is yet to be delivered, the excess of the current market value of the underlying securities sold and any additional securities lodged by the client with the Trading Member as collateral, over the contract value of the sale contract;
- iii. Where any purchase or sale contract has been offset by a contra transaction on or before the due date, the amount of loss, if any, on the date on which the contra transaction takes effect;
- iv. Where any purchase or sale contract has been offset by a forced-sale or buying-in transaction after the due date, the amount of loss, if any, arising from the forced-sale or buying-in transaction on the date on which the transaction takes effect;
- v. In relation to each client's margin account, the amount of margin deficiency determined in accordance with the maintenance margin requirement provided in the Trading Member's agreement with the client; and
- vi. In relation to interest and other receivables arising from securities transactions, the amount which is not secured and which is outstanding for more than 14 calendar days.

<sup>6</sup> Charged assets refer to assets which are subject to a charge under which a third party has a right of retention or sale of the assets upon default of the Trading Member.

Underlined = Additions  
~~Struckthrough~~ = Deletions

## PRACTICE NOTE 4.6.21; 12.1.1; 12.3.6; 12.6.4; 12.7.2; 12.10A.2: OPERATIONAL REQUIREMENTS FOR TRADING MEMBERS WHO DO NOT CONDUCT BUSINESS IN SINGAPORE

Issue Date	Cross Reference	Enquiries
Added on [.]	Rule 4.6.21 Rule 12.1.1 Rule 12.3.6 Rule 12.6.4 Rule 12.7.2 Rule 12.10A.2	Please contact Member Supervision:—  Facsimile No : 6538 8273

### 1. Introduction

- 1.1. SGX-ST requires a Trading Member that does not hold a licence administered by the Monetary Authority of Singapore to meet the following operational requirements set out in the SGX-ST Rules:
- maintain complete and accurate records pursuant to Rule 12.1.1(1);
  - send its customer a risk disclosure document setting out the risks associated with holding and trading of securities and Futures Contracts pursuant to Rule 12.3.6;
  - send its customer a contract note for the purchase or sale of securities or Futures Contracts pursuant to Rule 12.6.1;
  - send its customer a statement of account on a regular basis pursuant to Rule 12.7.1;
  - segregate customer's money and assets pursuant to Rule 12.10A.1.

A Trading Member that does not hold a licence administered by the Monetary Authority of Singapore may meet the above operational requirements by complying with the applicable comparable requirements prescribed by its Relevant Regulatory Authority.

- 1.2. This Practice Note sets out the factors that SGX-ST considers relevant when it reviews the requirements that the Trading Member is already subject to at the point of application, and on an ongoing basis, in the overseas market which it is carrying on business ("overseas market").

### 2. Factors that SGX-ST considers relevant

- 2.1. Complete and accurate records Pursuant to Rule 12.1, the Trading Member referred to in paragraph 1.1 should:
- keep, or cause to be kept, such books as will sufficiently explain the transactions and financial position of its business and enable true and fair financial statements to be prepared from time to time;
  - keep, or cause to be kept, such books in such a manner as will enable them to be conveniently and properly audited; and
  - retain such books required by the Relevant Regulatory Authority.
- 2.2. Contract note Pursuant to Rule 12.6 the Trading Member referred to in paragraph 1.1 should issue to its customer a contract note which should contain the following information:
- name of the customer;
  - date on which the purchase or sale of securities or Futures Contracts is entered into;
  - the price, amount and description of the securities or Futures Contracts; and
  - settlement amounts.

In addition, the contract note should be sent to the customer within a reasonable period from the execution of the trade.

- 2.3. Statement of account Pursuant to Rule 12.7, the Trading Member referred to in paragraph 1.1 should send to its customer a statement of account which should contain the following information:
- the price, amount and description of the securities or Futures Contracts;
  - the status and movements of every asset in the Trading Member's custody held for the customer, including any asset deposited with a third party; and the date, reasons of the movement and amount of the asset involved;
  - the movement and balance of money received on account of the customer; and
  - any charges and credits to the customer's account.

Underlined = Additions  
~~Struckthrough~~ = Deletions

- 2.4. Risk disclosure statement Pursuant to Rule 12.3.6, the Trading Member referred to in paragraph 1.1 should provide its customer a risk disclosure statement which should clearly state the features of securities and Futures Contracts and risks associated with holding and trading these instruments.
- 2.5. Customer's money and assets Pursuant to Rule 12.10A, the Trading Member referred to in paragraph 1.1 should:
- segregate customers' monies and assets from the Trading Member's monies and assets; and
  - separately account for the monies and assets of each customer.

### **3. Determination of Comparability of Operational Requirements Set Out in Paragraph 1.1**

- 3.1. SGX-ST may direct the Trading Member to comply with the requirements of the Securities and Futures Act and SGX-ST Rules if the operational requirements referred to in paragraph 1.1 above are deemed to be of insufficient comparability.
- 3.2. SGX-ST has the discretion to prescribe additional requirements where SGX-ST is of the opinion that there is insufficient comparability between the SGX-ST Rules, and the requirements prescribed by the Relevant Regulatory Authority.

### **4. Business Continuity Requirements**

- 4.1. In addition to meeting the operational requirements referred to in paragraph 1.1 above, SGX-ST also requires the Trading Member referred to in paragraph 1.1 to meet any applicable business continuity plan requirements which are prescribed by the Relevant Regulatory Authority. The Trading Member may further adopt the recommended features in a business continuity plan set out in Practice Note 4.6.21.

#### **Emergency Contact Persons**

- 4.2. Rule 4.6.21(5) requires a Trading Member to appoint emergency contact persons and furnish the contact information of such persons to SGX-ST. Members may appoint an emergency contact person and up to two (2) alternates. A template for the notification to SGX-ST of contact information of such emergency contact persons (postal address, email, telephone, mobile telephone and facsimile numbers) is attached as Appendix A to this Practice Note.
- 4.3. Trading Members are to ensure that the contact information provided to SGX-ST is updated on a semi-annual basis. Nonetheless, where there are changes to a Trading Member's emergency contact persons and contact information, the Trading Member should notify SGX-ST immediately in writing.
- 4.4. A Trading Member's authorized emergency contact person should immediately notify SGX-ST in the event where:
- A Trading Member's business operations are or will be significantly disrupted; and/or
  - A Trading Member's business continuity plan is activated.

**APPENDIX A TO PRACTICE NOTE 4.6.21; 12.1.1; 12.3.6; 12.6.4; 12.7.2; 12.10A.2**

**Business Continuity Management Emergency Contact Person(s)**

Company Name: \_\_\_\_\_

Name	Department	Designation	Office No.	Mobile No.	E-mail address

Prepared by:

\_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

## PRACTICE NOTE 8.2.2 — PROCEDURES FOR CONTINGENCY ORDER WITHDRAWAL

Issue Date	Cross Reference	Enquiries
Added on 2 November 2005 Amended on 3 April 2008, 26 March 2012 and [••] 2013	Rule 8.2.2 (1) Rule 8.2.2 (3) Rule 8.2.2 (4)	Please contact Securities Market Control:—  Hotline: 6236 8820

### 1. Introduction

- 1.1. This Practice Note explains the circumstances, conditions and operational procedures pursuant to which SGX-ST would assist [Trading](#) Members effect order withdrawals.
- 1.2. Rules 8.2.2 (1), (3) and (4) state that withdrawal of orders are allowed during certain market phases, in particular the Pre-Open/Pre-Close, Trading and Adjust phases. Generally, [Trading](#) Members may withdraw their orders at anytime provided that they do so in accordance with their respective internal operational and risk management procedures and applicable laws. However, SGX-ST recognizes that in certain circumstances [Trading](#) Members are unable to effect order withdrawals without the assistance of SGX-ST.

### 2. Technical Fault and Withdrawal by SGX on Reasonable Efforts Basis

- 2.1. In the event of Technical Faults, SGX-ST would assist in effecting order withdrawals at the request of the [Trading](#) Members and subject to the terms and procedures set forth below. "Technical Faults" as used herein refers to any loss of connection to the Trading System or any technical defects in any equipment, system, device or market facility which prevents a [Trading](#) Member from effecting order withdrawals without SGX-ST's assistance.
- 2.2. Order withdrawal by SGX-ST in the event of a Technical Fault would be effected on a reasonable endeavours basis. The [Trading](#) Member agrees that SGX-ST has no liability for order withdrawals and related activities conducted on behalf of a [Trading](#) Member.
- 2.3. The [Trading](#) Member indemnifies and will keep indemnified SGX-ST against all actions, proceedings, claims, demands, damages, costs, expenses and any other amounts against or incurred by SGX-ST arising out of or in connection with any action taken or any inaction by any of SGX-ST, or its officers, employers, agents, delegates or contractors with respect of such order withdrawals.
- 2.4. For the avoidance of doubt, nothing in this Practice Note should be construed as limiting a [Trading](#) Member's obligation to install and maintain a robust and technically sound system, risk management processes or business continuity plans as required under the Rules or any applicable laws.
- 2.5. [Trading](#) Members may request SGX-ST to withdraw orders at the following levels:
  - (a) Individual Order level : based on Order ID no.
  - (b) Firm level : based on [Trading](#) Member Company Code / SGX Access User ID no.  
(where the firm has more than one SGX Access connection, it is possible to withdraw orders based on specific SGX Access User ID no)
  - (c) Client level : based on Client Account no of a specific SGX Access User ID no.

### 3. Operational Safeguards and Discrepancies

- 3.1. A [Trading](#) Member must comply with the instructions and directions issued by SGX Market Control when effecting order withdrawals as contemplated herein. SGX-ST also reserves the right to refuse any such request without providing any reason.
- 3.2. All verbal requests for order withdrawals ("**Request**") would be recorded by SGX-ST. [Trading](#) Members are also required to comply with various operational safeguards and procedures as issued by [Trading](#) Market

Underlined = Additions  
~~Struckthrough~~ = Deletions



Control from time to time including matters relating to the:

- (a) Appointment of Authorized Officers by [Trading](#) Members to effect order withdrawals and the provision of authentication details in connection therewith
- (b) Effecting Request via telephone numbers as designated by SGX-ST
- (c) Submission of an Order Withdrawal Form with the material information as requested by SGX-ST
- (d) Processing of Request at firm level and individual levels

3.3. If a [Trading](#) Member finds any discrepancies between the Order Withdrawal Form and the Request, the [Trading](#) Member should notify SGX Market Control immediately with details of such discrepancies. Depending on the nature of the discrepancy, SGX Market Control would generally rely on the voice recording for its post-withdrawal investigations.

**PRACTICE NOTE 11.7A.1, 11.8A.1 — Exposure to Single Customer and Single Security**

Issue Date	Cross Reference	Enquiries
Added on [••] 2013	Rule 11.7A.1, Rule 11.8A.1	Please contact Member Supervision:  Facsimile No : 6538 8273

**1. Introduction**

- 1.1. Rules 11.7A.1 and 11.8A.1 require Trading Members that hold a licence specified in Rule 4.1.1(1)(b) to have in place adequate tools and procedures to monitor their exposure to a single customer or single security.
- 1.2. Such Trading Member may be required to demonstrate the adequacy of such tools and procedures. This Practice Note explains the tools and procedures which a Trading Member may have in place to satisfy the requirement for adequate tools and procedures.

**2. Adequate Tools and Procedures**

- 2.1. Tools and procedures to monitor a Trading Member's exposure to a single customer or single security which SGX-ST deems adequate include, but are not limited to the following:-
- (a) The Trading Member may, based on its available financial resources, establish the level of concentration risks arising from exposure to a single customer or security acceptable to it. Thereafter, the Trading Member should monitor its exposures to a single customer or single security against such acceptable level of risk.
  - (b) The Trading Member may have in place adequate systems to monitor the Trading Member's exposure to customers on an individual customer and aggregated basis, and generate reports describing the results of such monitoring.
- 2.2. SGX-ST shall have the right to require such Trading Member to demonstrate the adequacy of such tools and procedures as it deems necessary.

## PRACTICE NOTE 12.3.1, 12.3.2 —CUSTOMER ACCOUNT

Issue Date	Cross Reference	Enquiries
Added on 21 June 2006 Amended on 3 April 2008 and [••] 2013	Rule 12.3.1, Rule 12.3.2	Please contact Member Supervision:  Facsimile No : 6538 8273

### 1. Introduction

1.1. This Practice Note explains the circumstances, conditions and operational procedures pursuant to the requirements to obtain particulars of customers and to understand their investment objectives.

### 2. Customer Account

2.1. Rules 12.3.1(1) and 12.3.2(1) require a [Trading](#) Member to obtain particulars of a customer and understand the investment objectives. The purpose is to ensure that the [Trading](#) Member abides by the know-your-customer principle.

2.2. Investment objectives of a customer would include:—

(a) the risk appetite of the customer;

(b) the types of securities or Futures Contract that the customer may want to trade in, such as —

(i) securities or Futures Contracts listed or quoted on SGX-ST, and

(ii) securities offered in reliance on the exemptions under Sections 274 or 275 of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"), where the requirement to lodge a prospectus or profile statement with the Authority before making an offer of the securities does not apply.

[\(c\) such other objectives prescribed by the Relevant Regulatory Authority.](#)

2.3. Securities offered in reliance on the exemptions under Sections 274 or 275 of the SFA may include:—

(a) Relevant Debt Securities;

(b) Global Depository Receipts ("**GDRs**"); and

(c) such other securities that are offered pursuant to the exemptions.

2.4. [Trading](#) Members [that hold a capital markets services licence](#) should bear in mind the effect of Sections 274, 275 and 276 of the SFA. If a customer wants to trade in a security that is offered in reliance on the exemptions under Sections 274 or 275 of the SFA, [Trading](#) Members should —

(a) explain to the customer the effect of Sections 274, 275 and 276 of the SFA, and the definition of "**Relevant Person**" under Section 275 of the SFA;

(b) obtain documents to satisfy themselves that the customer is an institutional investor or a Relevant Person; and

(c) prominently disclose to the customer in writing that —

(i) the aforesaid security is a security offered in reliance on the exemptions under Sections 274 or 275 of the SFA,

(ii) for such a security, the requirement to lodge a prospectus or profile statement with the Authority and [SGX-ST the Exchange](#) does not apply.

- 2.5. For the avoidance of doubt, the above requirements are applicable to the trading of GDRs which are offered in reliance on the exemptions under Sections 274 or 275 of the SFA. [Trading](#) Members should also observe relevant provisions of the Listing Manual in relation to GDRs.
- 2.6. All the documents obtained under paragraph 2.4(b) should form part of the permanent records of the [Trading](#) Members. If the customer's account is closed, the documents should be kept for at least the minimum period required by law.

**PRACTICE NOTE 12.3.1, 12.3.4 — ADDITIONAL SAFEGUARDS FOR TRADING BY YOUNG INVESTORS  
INDIVIDUALS ABOVE THE AGE OF 18 AND BELOW THE AGE OF 21 YEARS**

Issue Date	Cross Reference	Enquiries
Added on 14 May 2009. Amended on [••] 2013	Rule 12.3.1, Rule 12.3.4	Please contact Member Supervision:  Facsimile No : 6538 8273

## 1. Introduction

- 1.1. With effect from 1 March 2009, the age of contractual capacity under the Civil Law Act has been lowered from 21 to 18. Accordingly, the minimum age requirement for securities account holders is lowered to 18.
- 1.2. In relation to a Trading Member that holds a licence specified in Rule 4.1.1(1)(b), the minimum age requirement for securities account holders in the jurisdiction of such Trading Member ("Foreign Acceptable Age") shall be such minimum age as prescribed by the Relevant Regulatory Authority. Where no Foreign Acceptable Age is prescribed by the Relevant Regulatory Authority, the Foreign Acceptable Age shall be 18.
- 1.3. SGX-ST recognises that individuals above the age of 18 or the Foreign Acceptable Age and below the age of 21 years ("Young Investors") may be new to the securities market and have limited trading experience. These Young Investors may not fully appreciate the risks of securities and other investment products offered to them.
- 1.4. This Practice Note sets out the measures and operational procedures that Trading Members should take as part of good business practice when Young Investors open securities trading accounts with them.

## 2. Account Opening Procedures

- 2.1. SGX-ST Rules 12.3.1 and 12.3.4 require a Trading Member to obtain the particulars of a customer and to understand the customer's investment objectives.
- 2.2. When a Young Investor opens a securities trading account, the Trading Member should undertake the following procedures, in addition to their own account opening procedures, and give appropriate emphasis to the following:—
  - (a) Suitability assessment — Trading Member should assess the suitability, taking into account the financial knowledge and risk capacity of the Young Investors to trade. A specific suitability assessment should also be made before allowing a Young Investor to trade in more complex instruments or products (such as a derivative contract or product with embedded derivatives). The decision to allow the Young Investor to trade in such instruments or products should be approved by a senior executive of the Trading Member. A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) should carry out suitability assessments of Young Investors in accordance with the applicable standards prescribed by the Relevant Regulatory Authority.
  - (b) Risk disclosure — The risks and uncertainties associated with investing or trading in securities and other products to be sold by the Trading Member should be properly explained to the Young Investor. This is to ensure that he or she has an appropriate understanding of the key risks and commitments involved. A Trading Member that holds a licence specified in Rule 4.1.1(1)(b) should provide risk disclosure to Young Investors in accordance with the applicable standards prescribed by the Relevant Regulatory Authority.

## 3. Supervision

- 3.1. Trading Members should ensure that the relevant staff members are adequately trained and familiar with the safeguards put in place for Young Investors. Similarly, any additional procedures should be communicated to all Trading Representatives to ensure proper adherence and consistent application.
- 3.2. In addition, a senior executive should be appointed to oversee and take responsibility for managing all issues relating to Young Investors. This includes monitoring the Trading Member's dealings with the Young Investors and making appropriate adjustments to the procedures and processes, where necessary.

Underlined = Additions  
~~Struckthrough~~ = Deletions

**4. Investor Education**

- 4.1. Trading Members should offer basic investment courses to Young Investors, as well as product-specific courses to those who wish to trade in more sophisticated instruments and products. These courses will enable Young Investors to be more aware of the implications of their trading decisions and to be able to make better investment choices.
- 4.2. Such courses may be organised or conducted by third party course providers or in-house trainers.

## Amendments to Schedule A of the SGX-ST 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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
<b>Chapter 4 — Trading Members</b>												
<b>4.5</b>	<b>Trading Rights</b>											
4.5.4	<a href="#">Trading Member that holds a licence specified in Rule 4.1.1(1)(b) not to execute Agency Trades for Customers domiciled in Singapore.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>4.6</b>	<b>Trading Members Obligations of a Trading Member</b>											
4.6.21(3)	Trading 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	\$250	\$500	\$1,000	N.A.	N.A.	N.A.	N.A.
	<a href="#">Trading Member to comply with such requirements prescribed by the Relevant Regulatory Authority and principles of good business practice.</a>	<a href="#">Compoundable</a>	<a href="#">\$500</a>	<a href="#">\$1,000</a>	<a href="#">\$2,000</a>	<a href="#">\$250</a>	<a href="#">\$500</a>	<a href="#">\$1,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>Chapter 6 — Approved Executive Director ("AED")</b>												
<b>6.1</b>	<b>Appointment and Registration</b>											
6.1.1	Trading Member to appoint an AED <a href="#">to be registered with SGX-ST, who is approved by the Authority.</a>	Compoundable	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Chapter 11 — Chapter 11 — Capital and Financial Requirements</b>												
<b>11.2A</b>	<b>Net Liquid Capital</b>											

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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
<a href="#">11.2A.1</a>	<a href="#">Trading Member not to cause or permit its net liquid capital to fall below the net liquid capital requirement.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<a href="#">11.2A.3</a>	<a href="#">Trading Member to notify SGX-ST in the case of failure to comply or awareness of impending failure to comply with the net liquid requirement.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<a href="#">11.2A.4</a>	<a href="#">Trading Member to comply with SGX-ST's requirements when net liquid capital falls below the net liquid capital requirement.</a>	<a href="#">Not Compoundable</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">\$10,000</a>
<a href="#">11.7A</a>	<a href="#">Other Requirements for Exposure to Single Customer</a>											
<a href="#">11.7A.1</a>	<a href="#">Trading Member to have in place adequate tools and procedures to monitor exposure to a single customer.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member to comply with SGX-ST's direction to demonstrate adequacy of tools and procedures.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<a href="#">11.7A.2</a>	<a href="#">Trading Member to notify SGX-ST if TM's exposure to a single customer exceeds its internal threshold.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
<b>11.8A</b>	<b>Other Requirements for Exposure to Single Security</b>											
<a href="#">11.8A.1</a>	<a href="#">Trading Member to have in place adequate tools and procedures to monitor exposure to a single security.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member to comply with SGX-ST's direction to demonstrate adequacy of tools and procedures.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<a href="#">11.8A.2</a>	Trading Member to notify SGX-ST if TM's exposure to a single <a href="#">security</a> exceeds its internal threshold.	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>11.9</b>	<b>Margin Financing</b>											
<a href="#">11.9.1A (2)</a>	<a href="#">Trading Member to comply with such requirements prescribed by the Relevant Regulatory Authority.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	Trading Member to notify SGX-ST of changes to requirement prescribed by the <a href="#">Relevant Regulatory Authority</a> .	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	Trading Member to comply with additional requirements prescribed by SGX-ST.	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>11.11</b>	<b>Annual Financial Audit</b>											
<a href="#">11.11.1</a>	Trading Member to	Compoundable	\$500	\$1,000	\$2,000	\$250	\$500	\$1,000	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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
	obtain SGX-ST's prior approval for <del>the</del> <a href="#">any change of its existing external auditors, or to notify SGX-ST by the prescribed time, as applicable.</a>											
<a href="#">11.11.1A</a>	<a href="#">Trading Member to comply with SGX-ST's direction for the removal and appointment of another external auditor.</a>	<a href="#">Not Compoundable</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">\$10,000</a>
<b>11.13</b>	<b>Other financial requirements</b>											
<a href="#">11.13.5</a>	<a href="#">Trading Member to notify SGX-ST immediately of any actions taken relating to the prescribed activities.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>Chapter 12 — Operational Requirements</b>												
<b>12.1</b>	<b>Records</b>											
12.1.1(1)	Trading Member, Director or Trading Representative to maintain complete and accurate records in accordance with the SFA and/or SFR, <a href="#">or requirements prescribed by the Relevant Regulatory Authority, as applicable.</a>	Not Compoundable	<i>[Unless otherwise specified in this Schedule]</i> Not Compoundable									\$10,000
	Trading Member, Director or Trading Representative to	Compoundable	<i>[Unless otherwise specified in this Schedule]</i> <a href="#">\$2,000 – \$4,000</a> <a href="#">\$4,000 – \$7,000</a> <a href="#">\$7,000 – \$10,000</a> <a href="#">\$1,000 – \$3,000</a> <a href="#">\$3,000 – \$6,000</a> <a href="#">\$6,000 – \$8,000</a> <a href="#">\$1,000 – \$3,000</a> <a href="#">\$3,000 – \$6,000</a> <a href="#">\$6,000 – \$8,000</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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
	maintain complete and accurate records in accordance with the Rules											
	<a href="#">Trading Member to notify SGX-ST of changes to requirements prescribed by the Relevant Regulatory Authority.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member to comply with additional requirements prescribed by SGX-ST.</a>	<a href="#">Not Compoundable</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">\$10,000</a>
<b>12.3</b>	<b>Customer accounts</b>											
12.3.6	Trading Member to obtain a written risk acknowledgement statement from a customer <a href="#">in accordance with the SFA and/or SFR, or requirements prescribed by the Relevant Regulatory Authority, as applicable.</a>	Not Compoundable	Not Compoundable						N.A.	N.A.	N.A.	\$10,000
	<a href="#">Trading Member to notify SGX-ST of changes to requirements prescribed by the Relevant Regulatory Authority.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member to comply with additional requirements prescribed by SGX-ST.</a>	<a href="#">Not Compoundable</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">\$10,000</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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
<b>12.6</b>	<b>Contract Notes</b>											
12.6.1	Trading Member to send customer a contract note for purchase and sale of securities or Futures Contracts <u>by the next Market Day</u> .	Not Compoundable	Not Compoundable						N.A.	N.A.	N.A.	N.A.
12.6.3(1)	Trading Member to include information in the contract note in accordance with SFR.	Not Compoundable	Not Compoundable						N.A.	N.A.	N.A.	N.A.
	<u>Trading Member to show separately in the contract note, the stipulated fees, tax and charges.</u>	<u>Compoundable</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$2,000</u>	<u>\$250</u>	<u>\$500</u>	<u>\$1,000</u>	<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
12.6.3(2)	<u>Trading Member to obtain customer's consent before issuing contract notes in electronic form.</u>	<u>Compoundable</u>	<u>\$2,000 – \$4,000</u>	<u>\$4,000 – \$7,000</u>	<u>\$7,000 – \$10,000</u>	<u>\$1,000 – \$3,000</u>	<u>\$3,000 – \$6,000</u>	<u>\$6,000 – \$8,000</u>	<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
12.6.4	<del>Trading Member to show separately in the contract note, the stipulated fees, tax and charges.</del>	<del>Compoundable</del>	<del>\$500</del>	<del>\$1,000</del>	<del>\$2,000</del>	<del>\$250</del>	<del>\$500</del>	<del>\$1,000</del>	<del>N.A.</del>	<del>N.A.</del>	<del>N.A.</del>	<del>N.A.</del>
	<u>Trading Member to comply with such requirements prescribed by the Relevant Regulatory Authority in respect of contract notes.</u>	<u>Not Compoundable</u>	Not Compoundable						<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>
	<u>Trading Member to comply with such</u>	<u>Compoundable</u>	<u>\$2,000 – \$4,000</u>	<u>\$4,000 – \$7,000</u>	<u>\$7,000 – \$10,000</u>	<u>\$1,000 – \$3,000</u>	<u>\$3,000 – \$6,000</u>	<u>\$6,000 – \$8,000</u>	<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>	<u>N.A.</u>

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 the DC
Rule Chapter/ Number	Brief Description of Rule		Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
			1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
	<a href="#">requirements prescribed by the Relevant Regulatory Authority before sending contract notes in electronic form.</a>											
	<a href="#">Trading Member to notify SGX-ST of changes to requirements prescribed by the Relevant Regulatory Authority.</a>	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.
	<a href="#">Trading Member to comply with additional requirements prescribed by SGX-ST.</a>	Not Compoundable	Not Compoundable						N.A.	N.A.	N.A.	N.A.
<a href="#">12.6.5 [deleted]</a>	<a href="#">Trading Member to obtain customer's consent before issuing contract notes in electronic form. [deleted]</a>	Compoundable [deleted]	\$2,000 – \$4,000 [deleted]	\$4,000 – \$7,000 [deleted]	\$7,000 – \$10,000 [deleted]	\$1,000 – \$3,000 [deleted]	\$3,000 – \$6,000 [deleted]	\$6,000 – \$8,000 [deleted]	N.A. [deleted]	N.A. [deleted]	N.A. [deleted]	N.A. [deleted]
12.6.7	Trading Member to produce contract notes to SGX-ST in the same form as when given to customers.	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.
<b>12.7</b>	<b>Statement of Account to Customers</b>											
12.7.1	Trading Member to send customer a monthly statement of account <a href="#">within the stipulated timeline.</a>	Not Compoundable	Not Compoundable						N.A.	N.A.	N.A.	\$10,000
12.7.2(1)	Trading Member to include information in the	Not Compoundable	Not Compoundable						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 the DC
Rule Chapter/ Number	Brief Description of Rule		Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
			1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
	statement of account in accordance with SFR.											
	Trading Member to include any other information in the statement of account as prescribed by SGX-ST.	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.
	<a href="#">Trading Member to obtain customers' consent before sending statement of account in electronic form.</a>	Compoundable	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<a href="#">12.7.2(2)</a>	<a href="#">Trading Member to comply with such requirements prescribed by the Relevant Regulatory Authority in respect of statements of account.</a>	<a href="#">Not Compoundable</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member to comply with such requirements prescribed by the Relevant Regulatory Authority before sending statement of account in electronic form.</a>	Compoundable	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member to notify SGX-ST of changes to requirements prescribed by the Relevant Regulatory Authority.</a>	Compoundable	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member to</a>	<a href="#">Not</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">\$10,000</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 the DC
Rule Chapter/ Number	Brief Description of Rule		Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
			1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
	<a href="#">comply with additional requirements prescribed by SGX-ST.</a>	<a href="#">Compoundable</a>										
12.7.3	<del>Trading Member to obtain customers' consent before sending statement of account in electronic form. <a href="#">[Deleted]</a></del>	<del><a href="#">Compoundable</a></del> <a href="#">[Deleted]</a>	<del><a href="#">\$2,000 – \$4,000</a></del> <a href="#">[Deleted]</a>	<del><a href="#">\$4,000 – \$7,000</a></del> <a href="#">[Deleted]</a>	<del><a href="#">\$7,000 – \$10,000</a></del> <a href="#">[Deleted]</a>	<del><a href="#">\$1,000 – \$3,000</a></del> <a href="#">[Deleted]</a>	<del><a href="#">\$3,000 – \$6,000</a></del> <a href="#">[Deleted]</a>	<del><a href="#">\$6,000 – \$8,000</a></del> <a href="#">[Deleted]</a>	<del><a href="#">N.A.</a></del> <a href="#">[Deleted]</a>	<del><a href="#">N.A.</a></del> <a href="#">[Deleted]</a>	<del><a href="#">N.A.</a></del> <a href="#">[Deleted]</a>	<del><a href="#">N.A.</a></del> <a href="#">[Deleted]</a>
12.7.5	Trading Member to produce statement of accounts to SGX-ST in the same form as when given to customers.	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.
<b>12.10A</b>	<b><a href="#">Customer's Money and Assets</a></b>											
<a href="#">12.10A.1</a>	<a href="#">Trading Member to meet the stipulated fiduciary obligations to its Customers</a>	<a href="#">Not Compoundable</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">\$10,000</a>
<a href="#">12.10A.2 (2)</a>	<a href="#">Trading Member to comply with such requirements prescribed by the Relevant Regulatory Authority in respect of stipulated fiduciary obligations.</a>	<a href="#">Not Compoundable</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">\$10,000</a>
	<a href="#">Trading Member to notify SGX-ST of changes to requirements prescribed by the Relevant Regulatory Authority.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member to comply with additional requirements prescribed</a>	<a href="#">Not Compoundable</a>	<a href="#">Not Compoundable</a>						<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">\$10,000</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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
	<a href="#">by SGX-ST.</a>											
<b>12.18</b>	<b>Compliance Review</b>											
<a href="#">12.18.2</a>	<a href="#">Trading Member to carry out checks through stipulated department/person.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>12.19</b>	<b>Advertising</b>											
<a href="#">12.19.2</a>	<a href="#">Trading Member that holds a licence specified in Rule 4.1.1(1)(b) not to direct advertising or publicity to Customers domiciled in Singapore.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>12.23</b>	<b>Application of Chapter 12</b>											
<a href="#">12.23.2</a>	<a href="#">Trading Member that holds a licence specified in Rule 4.1.1(1)(b) to comply with such requirements prescribed by the Relevant Regulatory Authority and principles of good business practice in respect of the stipulated requirements in relation to Rules 12.3.1, 12.3.2, 12.4, 12.8.2, 12.8.3, 12.9, 12.10, 12.15, 12.16 and 12.17.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
	<a href="#">Trading Member that holds a licence specified in Rule 4.1.1(1)(b) to comply with such requirements prescribed by the Relevant</a>	<a href="#">Compoundable</a>	<a href="#">\$500</a>	<a href="#">\$1,000</a>	<a href="#">\$2,000</a>	<a href="#">\$250</a>	<a href="#">\$500</a>	<a href="#">\$1,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
	<a href="#">Regulatory Authority and principles of good business practice in respect of the stipulated requirements in relation to Rules 12.3.3, 12.3.4, 12.3.5 and 12.3A.</a>											
<b>Chapter 13 — Trading Practices and Conduct</b>												
<b>13.13</b>	<b>Off Premises Broking</b>											
<a href="#">13.13.4</a>	<a href="#">Trading Member that holds a licence specified in Rule 4.1.1(1)(b) to comply with such requirements prescribed by the Relevant Regulatory Authority and principles of good business practice in respect of off premises broking.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>Chapter 15 — Research</b>												
<b>15.1A</b>	<b>Application of Chapter</b>											
<a href="#">15.1A.1</a>	<a href="#">Trading Member that holds a licence specified in Rule 4.1.1(1)(b) to comply with such requirements prescribed by the Relevant Regulatory Authority and principles of good business practice in respect of the stipulated requirements.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>
<b>Chapter 16 — Corporate Finance</b>												
<b>16.1A</b>	<b>Application of Chapter</b>											
<a href="#">16.1A.1</a>	<a href="#">Trading Member that</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 –</a>	<a href="#">\$4,000 –</a>	<a href="#">\$7,000 –</a>	<a href="#">\$1,000 –</a>	<a href="#">\$3,000 –</a>	<a href="#">\$6,000 –</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</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 the DC
			Trading Members (or Designated Market Maker, where applicable)			Approved Executive Directors			Trading Representatives (or Market Making Representative, where applicable)			
Rule Chapter/ Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	1st Violation	2nd Violation	3rd Violation	
	<a href="#">holds a licence specified in Rule 4.1.1(1)(b) to comply with such requirements prescribed by the Relevant Regulatory Authority and principles of good business practice in respect of the stipulated requirements.</a>		<a href="#">\$4,000</a>	<a href="#">\$7,000</a>	<a href="#">\$10,000</a>	<a href="#">\$3,000</a>	<a href="#">\$6,000</a>	<a href="#">\$8,000</a>				
<b>Chapter 17 — Securities Margining and Lending</b>												
<b>17.1 Application of Chapter</b>												
<a href="#">17.1.1(2)</a>	<a href="#">Trading Member that holds a licence specified in Rule 4.1.1(1)(b) to comply with such requirements prescribed by the Relevant Regulatory Authority and principles of good business practice in respect of the stipulated requirements.</a>	<a href="#">Compoundable</a>	<a href="#">\$2,000 – \$4,000</a>	<a href="#">\$4,000 – \$7,000</a>	<a href="#">\$7,000 – \$10,000</a>	<a href="#">\$1,000 – \$3,000</a>	<a href="#">\$3,000 – \$6,000</a>	<a href="#">\$6,000 – \$8,000</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>	<a href="#">N.A.</a>