

SGX-ST Rules - Schedule A Amendments for PTS 2

Chapter 9 – Settlement

Rule Violation		Whether composition may be offered	Composition amount that may be offered by SGX-ST, where SGX-ST has determined the Trading Member, Approved Executive Director and/or Trading Representative to be liable									Mandatory minimum penalty imposable by the Disciplinary Committee
Rule Chapter / Number	Brief Description of Rule		Trading Members (or Designated Market Maker, where applicable)			Approved Executive Director			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	
<b>Chapter 9 -- Settlement</b>												
<b>9.2</b>	<b>Relationship Between Trading Member and Selling Customer</b>											
9.2.2A	Trading Member must make payment of sale proceeds to the selling customer within prescribed timelines.	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>9.3</b>	<b>Relationship Between Trading Member and Clearing Member</b>											
9.3.4	Buying Trading Member must, where relevant, submit delivery-versus-payment settlement instructions within prescribed timelines, and/or make payment for its trade within prescribed timelines.	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>9.4</b>	<b>Settlement Dates Relationship Between Trading Member and Buying Customer</b>											
9.4.1	Compliance with the timetable for settlement of trades.	Compoundable	\$2,000 – \$4,000	\$4,000 – \$7,000	\$7,000 – \$10,000	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	N.A.
9.4.2B	Trading Member, if informed by CDP or its Clearing Member that a right to receive securities pursuant to an Exchange Trade is to be replaced with a right to receive a monetary sum (“Cash Settlement Amount”) pursuant to the Clearing Rules, to immediately inform the relevant buying customer	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.
9.4.3	Trading Member to deliver securities to the buying customer within prescribed timelines; and/or make payment of any Cash Settlement Amount, corporate action entitlements or compensation for corporate action entitlements pursuant to the Clearing Rules, to the buying customer, within prescribed timelines.	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.
9.4.3B	Subject to Rules 9.4.4, if a buying customer fails to meet any of the timelines in Rule 9.4.3A, Trading Member to force-sell the securities of the buying customer within prescribed timelines.	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.
9.4.5	Trading Member not to engage in imprudent credit practices when exercising discretion with regards to deferment of force-sale.	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>9.5</b>	<b>Trades under Physical Delivery</b>											
9.5.1	Share certificates and transfer forms to be delivered in the manner 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.

Chapter 12 – Operational Requirements

Rule Violation		Whether composition may be offered	Composition amount that may be offered by SGX-ST, where SGX-ST has determined the Trading Member, Approved Executive Director and/or Trading Representative to be liable									Mandatory minimum penalty imposed by the Disciplinary Committee
Rule Chapter / Number	Brief Description of Rule		Trading Members (or Designated Market Maker, where applicable)			Approved Executive Director			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	
<b>Chapter 12 – Operational Requirements</b>												
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<b>12.18A</b>	<b>Broker-linked balances</b>											
<u>12.18A.1</u>	<u>Trading Member linked to a broker-linked balance to have a written agreement with the holder of the broker-linked balance, setting out the required matters.</u> <u>The Trading Member must provide the written agreement to SGX-ST for inspection if requested.</u>	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.
<u>12.18A.2</u>	<u>Trading Member to act in accordance with the written agreement, the Rules and the Act.</u>	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.
<u>12.18A.3</u>	<u>Subject to Rule 12.18A, Trading Member to approve the release of securities from the broker-linked balance linked to it by the prescribed timelines.</u>	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.
<u>12.18A.5</u>	<u>Trading Member that does not approve a customer’s request for release of any securities must (a) inform the customer that the request has been rejected and the securities will not be released; (b) provide the reason(s) for not releasing the securities, including necessary details, if so requested by the customer; and (c) provide the customer with such information as may be prescribed from time to time, within the relevant prescribed timelines.</u>	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.
<u>12.18A.7</u>	<u>Resigning Trading Member must, in respect of each customer that has a broker-linked balance linked to it, release all securities in the broker-linked balance into the customer’s main balance by the effective date of resignation.</u>	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.

Chapter 12A – Position Accounts

Rule Violation		Whether composition may be offered	Composition amount that may be offered by SGX-ST, where SGX-ST has determined the Trading Member, Approved Executive Director and/or Trading Representative to be liable									Mandatory minimum penalty imposed by the Disciplinary Committee
Rule Chapter / Number	Brief Description of Rule		Trading Members (or Designated Market Maker, where applicable)			Approved Executive Director			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	
<b>Chapter 12A – Position Accounts</b>												
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<b>12A.5</b>	<b>Holding trades for different customers in a Position Account and warehousing of trades</b>											
...	...											
12A.5.2	Trading Member to ensure that no trades are warehoused for more than <u>2</u> <del>1</del> Market Days, unless under exceptional circumstances, where the Trading Member must document the reasons for the extension of time.	Compoundable	\$2,000 – \$4,000	\$4,000 – \$7,000	\$7,000 – \$10,000	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	\$1,000 – \$3,000	\$3,000 – \$6,000	\$6,000 – \$8,000	N.A.