



# **ICE Futures Singapore<sup>sm</sup>**

## **Rules**

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**SECTION A - GENERAL**

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## A.1 DEFINITIONS

A.1.1 In these Rules, the words standing in the first column of the following table shall bear the meanings set opposite them in the second column, if not inconsistent with the subject or context:

| TERM  | DEFINITION  |
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| "API"   | means the open application program interface and transport software;  |
| "Appeals Panel"   | means an appeals panel appointed from time to time pursuant to Rule E.4.14;   |
| "Applicable Law"  | means any applicable national, federal, supranational, state, regional, provincial, local or other statute, law, ordinance, regulation, rule, code, guidance, order, published practice or concession, regulatory requirement, judgment or decision of a Governmental Authority and, for the avoidance of doubt, includes the MAS Requirements and any rules, regulations, guidance and approach document of any other Regulatory Authority;  |
| "Arbitration Panel"   | means an arbitration panel appointed from time to time pursuant to Rule H.1.3(a)(i);  |
| "Authorisation"   | <p>(i) with respect to a Member, means any authorisation, registration, licence, permission, non-objection, consent or approval required under Applicable Law by any Governmental Authority in any jurisdiction in order for such Member to conduct business in connection with the Exchange (including, without limitation, a CMS Licence for trading in Futures and Options and any other investments or financial instruments traded on the Exchange which the Member requires CMS Licence for in relation to their business in connection with the Exchange), and shall include any exemption(s) and/or exclusion(s) from the requirement to obtain any of the same under Applicable Law (including, without limitation, pursuant to the SFA and MAS Requirements); and</p> <p>(ii) with respect to a Member's Representative, means any authorisation, registration, licence, permission, non-objection, consent or approval required under Applicable Law by any Governmental Authority in any jurisdiction in order to act as a representative for the relevant Member's business in connection with the Exchange, and shall include any exemption(s) and/or exclusion(s) from the requirement to obtain any of the same under Applicable Law (including, without limitation, pursuant to the SFA and MAS Requirements);</p> |
| "Authorisation, Rules and Conduct Committee" or "ARC Committee" | means the committee for the time being constituted pursuant to Rule C.10.1;   |
| "Block Trade"   | means the transaction organised and executed in relation to Block Trade Contracts pursuant to the Rules;  |
| "Block Trade Contracts"   | means those Products designated by the Exchange as contracts that may be traded as a Block Trade pursuant to the Rules (but excluding, for the avoidance of doubt, EFRPs,   |

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|                                   | notwithstanding that EFRPs may be entered into using ICE Block);  |
| "Buyer"                           | in respect of a Contract, means the person, determined in accordance with Rule F.1, who is a party to such Contract as buyer; in respect of an Option Contract, the " <b>Buyer</b> " means the person or persons entitled to exercise the option;   |
| "CFTC"                            | means the Commodity Futures Trading Commission of the United State of America, or any successor thereto;  |
| "Circular"                        | means a publication issued by the Exchange for the attention of all Members and posted on the Exchange's website in accordance with Rule A.1.17;  |
| "Clearing Agreement"              | means an agreement under which a Clearing Member undertakes on the terms of the Rules to clear and accept liability for any Contract made on the Market pursuant to Rule B.10 by another Member;  |
| "Clearing House"                  | means ICE Clear Singapore Pte. Ltd. as the clearing house which is for the time being appointed by the Exchange as clearing house to the Exchange;  |
| "Clearing House Rules"            | means the rules of the Clearing House, together with the procedures made thereunder, as interpreted in accordance with guidance and Circulars of the Clearing House and as the same are amended in accordance with the Clearing House Rules from time to time;  |
| "Clearing Member"                 | means a Member that has been authorised as a clearing member by the Clearing House under the Clearing House Rules;  |
| "CMS Licence"                     | means a capital markets service licence granted by the MAS pursuant to Section 86 of the SFA;   |
| "Complaint Resolution Procedures" | means the procedure issued by the Exchange from time to time setting out the procedures for the making of a complaint against the Exchange or its personnel by a complainant, and the investigation of such complaint;  |
| "Conformance Criteria"            | means the criteria determined by the Exchange or its affiliate from time to time to which a Front End Application must conform;   |
| "Contingent Agreement to Trade"   | means an agreement between two parties to submit details to the Exchange with a view to creation of one or more Contracts pursuant to Section F. This agreement is contingent on acceptance by the Exchange and consequent creation of the Contract(s);   |
| "Contract"                        | means a contract relating to a Product containing the terms set out in the Contract Terms and the Clearing House Rules and, for the avoidance of doubt, a Contract shall not be regarded as falling outside this definition solely by virtue of the fact that it contains additional terms which apply on the default of a party to such contract provided that such terms do not conflict with any applicable Rules in Section D or any applicable Clearing House Rules, or contains terms which modify the terms of the Contract Terms to take account of |

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|                                    | the fact that the Clearing House is not a party to such contract;  |
| "Contract Date"                    | has the meaning given to the term in Rule I.3;   |
| "Contract Month"                   | has the meaning given to the term in Rule I.3;   |
| "Contract Procedures"              | with regard to a Product, means the contract procedures for the time being adopted by the Exchange under Rule I.1 in respect of Contracts for that Product (including Option Contracts on such Product), as set out in the ICE Futures Contract Terms and Procedures;              |
| "Contract Terms"                   | with regard to a Product, means the contract terms and any related procedures for the time being applicable under the Rules to Contracts for that Product (including Option Contracts on such Product), as set out in the Rules and the ICE Futures Contract Terms and Procedures; |
| "Corresponding Contract"           | means a contract arising between parties other than the Clearing House as set out in Rule F.1.4, F.1.7, F.1.10 and F.1.12, subject to Rules C.6 and F.2;   |
| "Crossing Order Method"            | has the meaning set out in Rule G.6A.2A(b) and a "Crossing Order" shall mean an order made pursuant to the Crossing Order Method;  |
| "Cross Trade"                      | has the meaning set out in Rule G.6A.1;  |
| "Delivery Panel"                   | means a delivery panel for the time being appointed under Rule C.13;   |
| "Designated Products"              | means, in relation to a Market Maker Program, a Product notified to the Market Maker, by the publication of a Circular or otherwise, from time to time, as being subject to the Market Maker Program;  |
| "Director"                         | means a director of the Exchange;  |
| "Disciplinary Panel"               | means a disciplinary panel convened pursuant to Rule E.4.4;  |
| "EFRPs"                            | has the meaning given to the term in the Trading Procedures;   |
| "EFRP Facility"                    | has the meaning given to the term in the Trading Procedures;   |
| "Electronic User Agreement"        | means an agreement between a Member and the Exchange in a form prescribed by the Exchange from time to time for the use of the ICE Platform by the Member;   |
| "Energy Contract"                  | means all Oil Contracts containing the terms as set out in the Contract Terms and/or any other Product determined to be an Energy Contract by the Exchange from time to time;  |
| "Exchange", "ICE" or "ICE Futures" | means ICE Futures Singapore Pte. Ltd. (a company incorporated in the Republic of Singapore under registration number 200617072D) and the approved exchange (as defined in the SFA) known as and operated by ICE Futures Singapore;   |
| "Fair Market Value"                | means, in relation to any Block Trade price quoted by a Member to another Member or to a client or in respect of a   |

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|                            | Block Trade entered into by a Member, a price which is considered by the Member, to be the best available for a trade of that kind and size;   |
| "FCM"                      | means a Person registered as a futures commission merchant with the CFTC;  |
| "FCM Clearing Member"      | means a Clearing Member that is an FCM;  |
| "Front End Application"    | means a Graphical User Interface developed by a Member, or provided by an ISV to a Member, or the Graphical User Interface provided to a Member by an affiliate of the Exchange as part of the ICE Platform. A Front End Application must at all times meet the Exchange's (or its affiliate's) Conformance Criteria;  |
| "Future"                   | means a contract that is an "exchange-traded derivatives contract" under section (a) of the definition of "futures contract" in Section 2(1) of the SFA (including, for the avoidance of doubt, short-dated instruments on the same terms as futures that are entered into during the last week of trading and excluding an "exchange-traded derivatives contract which is an option on an exchange-traded derivatives contract" under Section (b) of the definition of "futures contract" in Section 2(1) of the SFA), and including any similar contract treated as such under any Applicable Law, offered for trading by the Exchange whether on the ICE Platform, ICE Block or otherwise and for the avoidance of doubt excluding an Option; |
| "FX Contract"              | means any Contract Terms where the Underlying is a currency or pair of currencies, as determined by the Exchange from time to time;  |
| "General Participant"      | means a Member of the category mentioned in Rule B.2.1(a);   |
| "Goods and Services Tax"   | means any goods and services tax, consumption tax, value added tax or any tax of a similar nature;   |
| "Governmental Authority"   | means any Regulatory Authority and any national, federal, supranational, state, regional, provincial, local or other government, government department, ministry, governmental or administrative authority, regulator, agency, commission, secretary of state, minister, court, tribunal, judicial body or arbitral body or any other person exercising judicial, executive, interpretative, enforcement, regulatory, investigative, fiscal, taxing or legislative powers or authority anywhere in the world with competent jurisdiction (including, without limitation, the MAS);   |
| "Graphical User Interface" | means the software which interfaces with the ICE Platform API and which both determines the requirement for sending, and sends, order handling messages to the Trading Server without necessarily requiring the intervention of an individual;   |
| "ICE Block"                | means the facility for the time being known as ICE Block established by the Exchange which permits Members to organise and execute transactions in relation to the trading of Block Trade Contracts or EFRPs pursuant to the Rules. This shall include the facilities used by Members connected to the   |

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|  | Trade Registration API;   |
| <b>"ICE Block Member"</b>                          | means an entity which has been admitted to the category of membership set out in Rule B.2.1(d) or (e) for the purpose of: (i) accessing ICE Block to enter Block Trades or EFRPs (as the case may be); and/or (ii) accessing the ICE Platform for the purpose of entering Cross Trades, for Own Business or on behalf of clients as the case may be;  |
| <b>"ICE Clearing Systems"</b>                      | means the post trade registration and clearing processing hardware and software used by the Exchange, Clearing House and Members from time to time, as further described in these Rules, as appropriate;  |
| <b>"ICE Futures Contract Terms and Procedures"</b> | means the terms and procedures published by the Exchange from time to time setting out all Contract Terms and Contract Procedures;  |
| <b>"ICE Platform"</b>                              | means the electronic trading system for the trading of such Products as determined by the Exchange from time to time and administered by the Exchange and, in the case of an ICE Block Member, the term "the ICE Platform" shall, where applicable, mean the ICE Block and any other implied or explicit terms relating to the ICE Platform shall be construed accordingly;   |
| <b>"ICE Platform Trading Hours"</b>                | means the hours during which Responsible Individuals may conduct Exchange business on the ICE Platform, such hours to be determined by the Exchange in accordance with A.8;   |
| <b>"Index Contract"</b>                            | means any Contract Terms where the Underlying is an index or indices, as determined by the Exchange from time to time;  |
| <b>"In-Principle Approval"</b>                     | has the meaning set out in Rule B.4.7;  |
| <b>"Insolvency"</b>                                | means, in relation to any person: a bankruptcy or winding-up application being presented; a bankruptcy order being made; a voluntary arrangement being approved; an Insolvency Practitioner being appointed or application or order being made for such an appointment; a composition or scheme of arrangement being approved by a court or other Governmental Authority; an assignment, compromise or composition being made or approved for the benefit of any creditors or significant creditor; an order being made or resolution being passed for winding up; dissolution; the striking off of that person's name from a register of companies or other corporate bodies; a distress or execution process being levied or enforced or served upon or against property of that person; a Governmental Authority making an order pursuant to which any of that person's securities, property, rights or liabilities are transferred; a Governmental Authority exercising, as it appears it to be necessary upon the occurrence of a Specified Event, one or more of the powers prescribed under any Applicable Law, including, but not limited to, the powers prescribed under the Banking Act 1970 and the Monetary Authority of Singapore Act 1970, in respect of that person; or any event analogous to any of the foregoing in any jurisdiction (always excluding any frivolous or vexatious petition or solvent reorganisation, change of |

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|                                   | control or merger notified to the Exchange);   |
| <b>"Insolvency Practitioner"</b>  | means a receiver, judicial manager, administrator, bank administrator, manager or administrative receiver, liquidator, conservator, examiner, trustee in bankruptcy, relevant officeholder (under Part III of the SFA) or any other person appointed or with powers in relation to an Insolvency in any jurisdiction;  |
| <b>"IRAS"</b>                     | means the Inland Revenue Authority of Singapore or any successor thereto;  |
| <b>"ISV"</b>                      | means an independent software vendor which is a provider of Graphical User Interface software which interfaces with the ICE Platform API and both determines the requirement for sending, and sends, order handling messages to the Trading Server without necessarily requiring the intervention of an individual. Such ISV shall meet such Conformance Criteria as determined by the Exchange from time to time;                         |
| <b>"ITM"</b>                      | means a unique individual trader mnemonic assigned by the Exchange to a Responsible Individual;  |
| <b>"Limit Order"</b>              | means an order to buy or sell a specified Product at a specific price or a price higher or lower than the specific price, as appropriate. A buy Limit Order can only be executed at the limit price or lower, and a sell Limit Order can only be executed at the limit price or higher. A Limit Order is not guaranteed to execute. A Limit Order can only be filled if the market price of the specified Product reaches the limit price; |
| <b>"Market"</b>                   | means the ICE Platform or any other means of trading determined by the Exchange from time to time;   |
| <b>"Market Maker"</b>             | means a person who meets the criteria under Rule B.6A.2 and, in relation to a Market Maker Program, is authorised to act as such by the Exchange;  |
| <b>"Market Maker Benefits"</b>    | has the meaning set out in Rule B.6A.8;  |
| <b>"Market Maker Commitments"</b> | means the commitments of any Market Maker in relation to a Market Maker Program, as notified to the Market Maker by the Exchange;  |
| <b>"Market Maker Program"</b>     | means a market maker program (including liquidity provision schemes, rebates, fee discounts and similar incentive scheme arrangements designed to benefit the market) in relation to Designated Products, as published by the Exchange, from time to time, in a Circular or otherwise;   |
| <b>"MAS"</b>                      | means the Monetary Authority of Singapore or any successor entity;   |
| <b>"MAS Requirements"</b>         | means all requirements, regulations, notices, directions, guidelines, codes, practice notes, circulars, policy statements, guidance, examples, waivers, and other similar materials published or otherwise made by the MAS from time to time;  |
| <b>"Matched Transaction"</b>      | a Platform Trade, a Block Trade or an EFRP;  |

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| <b>"Member"</b>                      | means an entity or person who has been admitted to a category of membership referred to under Section B;  |
| <b>"Membership Procedures"</b>       | means the procedure issued by the Exchange from time to time setting out the requirements with respect to becoming and being a Member;  |
| <b>"Member's Representative"</b>     | means any director, employee, executive, officer, staff, partner, agent or representative of a Member (whether a natural person or corporation, including any employee, director, officer, partner, agent or representative of such a corporation), including, for the avoidance of doubt, a Responsible Individual;  |
| <b>"Minimum Volume Thresholds"</b>   | means the thresholds as determined by the Exchange and published from time to time being the minimum number of lots in respect of each Block Trade Contract that can be traded as a Block Trade;  |
| <b>"Oil Contract"</b>                | means any Contract Terms where the Underlying is oil, as determined by the Exchange from time to time;  |
| <b>"Option"</b>                      | means a contract that is an "exchange-traded derivatives contract which is an option on an exchange-traded derivatives contract" under Section (b) of the definition of "futures contract" in Section 2(1) of the SFA (but excludes, for the avoidance of doubt, Futures);  |
| <b>"Order Book Method"</b>           | has the meaning set out in Rule G.6A.2A(a);   |
| <b>"Own Business"</b>                | in relation to a Member, means business for such Member's own account or for the account of a related corporation, as defined in Section 4(1) of the Companies Act 1967. Own Business will not include transactions concluded for the benefit of a client of such related corporation unless such client is itself a related corporation of the Member;   |
| <b>"Person of Concern"</b>           | has the meaning given in Rule G.22.1;   |
| <b>"Person Subject to the Rules"</b> | means each and all of the following: <ul style="list-style-type: none"><li>(a) a Responsible Individual (including a trader who should have been registered with the Exchange as a Responsible Individual);</li><li>(b) a Member;</li><li>(c) other staff of the Member registered with the Exchange as a Member's Representative, (or who should have been so registered with the Exchange), who have access to the Trading Facilities of the Exchange;</li><li>(d) a Market Maker; and</li><li>(e) persons participating in a Market Maker Program;</li></ul> |
| <b>"Platform Trade"</b>              | means a trade arising from an order in relation to a Product, which is not in relation to a Block Trade or EFRP made by one Member being matched with an order of the same Member or another Member on the ICE Platform in respect  |

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|                           | of a Product;  |
| "Precious Metal Contract" | means any Contract Terms where the Underlying is a precious metal, as determined by the Exchange from time to time;  |
| "Product"                 | means a Future or Option listed by the Exchange and offered for trading from time to time which references an Underlying and contains the applicable terms set out in the Contract Terms; and, for the avoidance of doubt, such Products include Energy Contracts, Index Contracts, Soft Commodity Contracts, FX Contracts and Precious Metal Contracts; |
| "Regulatory Authority"    | means any Governmental Authority which exercises a regulatory or supervisory function under the laws of any jurisdiction in relation to financial services, the financial markets, exchanges or clearing houses (including, without limitation, the MAS and the IRAS);   |
| "Repository"              | means a trade repository (as defined in the SFA) used for the reporting of Contracts (which may also be used for the recording of Matched Transactions submitted for clearing by the Clearing House);  |
| "Responsible Individual"  | means an individual registered by a Member with the Exchange to conduct Exchange business on the ICE Platform for that Member;   |
| "RFQ"                     | means request for quote;   |
| "Rules"                   | means these Rules, the Trading Procedures, the Membership Procedures and the Complaint Resolution Procedures, as interpreted in accordance with Circulars and as the same are amended in accordance with these Rules from time to time, or any arrangements, directions and provisions made thereunder as the context may require;                       |
| "Seller"                  | in respect of a Contract, means the person, determined in accordance with Rule F.1, who is a party to such Contract as seller; in respect of an Option Contract, the "Seller" means the person or persons against whom the option is exercised;  |
| "SFA"                     | means the Securities and Futures Act 2001;   |
| "SF(LCB)R"                | means the Securities and Futures (Licensing and Conduct of Business) Regulations;  |
| "Soft Commodity Contract" | means any Contract Terms where the Underlying is sugar, cotton or some other soft commodity not being a hydrocarbon or other form of energy, as determined by the Exchange from time to time;  |
| "Specified Event"         | means a situation where:<br><ul style="list-style-type: none"><li>(a) a person is or is likely to become unable to meet its obligations;</li><li>(b) a person is or is likely to become insolvent;</li><li>(c) a person has suspended or is about to suspend</li></ul>   |

payments;

- (d) a person has contravened the provisions of any Applicable Law of Singapore, including, but not limited to, the provisions of the SFA, the Banking Act 1970 and the Monetary Authority of Singapore Act 1970;
- (e) a person has failed to comply with any condition attached to any license, approval or exemption granted to it under any Applicable Laws of Singapore, including, but not limited to, any licenses granted to it under the SFA, the Banking Act 1970 and any approvals granted to it under the Monetary Authority of Singapore Act 1970;
- (f) a person informs any Governmental Authority that one or more of the Specified Events in sub-paragraphs (a), (b) and (c) has occurred;
- (g) any Governmental Authority is of the opinion that one or more of the Specified Events in sub-paragraphs (a), (b), (c), (d) and (e) has occurred;
- (h) any Governmental Authority is of the opinion that a person is carrying on its business in a manner likely to be detrimental to the interests of such persons as may be prescribed, in relation to the relevant person, by any Applicable Laws of Singapore; or
- (i) any Governmental Authority considers the exercise of one or more of the powers prescribed under any Applicable Laws of Singapore, including, but not limited to, the powers prescribed under the Banking Act 1970 and the Monetary Authority of Singapore Act 1970, in respect of a person to be in the public interest;

**"Stop Order"**

also referred to as a stop-loss order, means an order to buy or sell a specified Product once the price of the specified Product reaches a specified price, known as the stop price. When the stop price is reached, a Stop Order becomes a market order. A buy Stop Order is entered at a stop price above the current market price. A sell Stop Order is entered at a stop price below the current market price;

**"Termination Fee Amount"**

means, in the event that a Market Maker ceases to participate in a Market Maker Program under Rule B.6A.7, a percentage of the Transaction Fees in respect of Transactions executed on those Trading Days in the relevant calendar month prior to the date on which such termination is effective;

**"Trade Participant"**

means a Member of the category mentioned in Rule B.2.1(b);

**"Trade Registration API"**

means the open application program interface and transport software available allowing certain designated trades in eligible Products to be electronically reported to the Exchange;

**"Trading Day"**

means a day on which the Market is open to trade, as determined by the Exchange from time to time, or, in relation to deliveries of the Underlying in respect of a particular

- Product, has the meaning given in the Contract Terms;
- "Trading Facilities"** means the ICE Platform or such other facilities for the trading of Products as the Exchange may determine from time to time;
- "Trading Procedures"** means the trading procedures published by the Exchange from time to time pursuant to Rule G.2;
- "Trading Server"** means the ICE Platform central processing system, being that part of the ICE Platform operated by or on behalf of the Exchange which facilitates the performance of the functions set out in the Trading Procedures including controlling, monitoring and recording trading by Members and concluding transactions between Members;
- "Transaction"** means the electronic execution of a buy or sell order in a Designated Product on the ICE Platform by a Market Maker (excluding EFRPs or Contracts or transactions undertaken by the Market Maker with itself);
- "Transaction Fees"** means the fees payable to the Exchange in respect of the execution of Transactions (excluding, for the avoidance of doubt, fees and charges payable to entities other than the Exchange) in respect of a particular Market Maker Program, as notified to the Market Maker by a Circular or otherwise;
- "Transaction Fee Amount"** means a percentage of the Transaction Fees; and
- "Underlying"** means the underlying commodity, currency, index or other financial instrument referenced in a Product.
- A.1.2 Any words importing the singular number only shall include the plural number and *vice versa*. Words importing persons (except the word 'individual') shall include corporations and firms. The masculine shall include the feminine and the neuter and the singular shall include the plural and vice-versa as the context shall admit or require.
- A.1.3 All references to timings or times of day are to Singapore times, unless indicated otherwise. Business hours shall occur only on Trading Days and shall be construed accordingly.
- A.1.4 Any reference to a statute, statutory provision or rule shall include any notice, order, guidance, regulation or subsidiary legislation made from time to time under that statute, statutory provision or rule which is in force from time to time. Any reference to a statute or statutory provision shall include such statute or provision as from time to time amended, modified, re-enacted or consolidated from time to time and (so far as liability thereunder may exist or can arise) shall include also any past statute or statutory provision (as from time to time modified, re-enacted or consolidated) which was applicable at the time of any relevant action or omission.
- A.1.5 References to any rules or any agreement are references to such rules or agreement as amended or restated from time to time, provided that such amendments or restatements are made in accordance with these Rules.
- A.1.6 References in these Rules to Singapore legislation shall be interpreted as references to such legislation as implemented in Singapore, including by the relevant Governmental Authorities of Singapore. The Interpretation Act 1965 shall apply to these Rules in the same way as it applies to an enactment implemented in Singapore.
- A.1.7 When a reference is made in these Rules to a rule, section, part, paragraph or procedure, such reference is to a Rule, section, part, paragraph or procedure of, or made under, these Rules, unless otherwise indicated.

- A.1.8 The headings in these Rules are for reference purposes only and do not affect in any way the meaning or interpretation of these Rules.
- A.1.9 If any provision of these Rules (or part of any provision) is found by any court or other Governmental Authority to be invalid, illegal or unenforceable, that provision or part provision shall, to the extent required, be deemed not to form part of the Rules, and the validity, legality or enforceability of the other provisions of these Rules shall not be affected.
- A.1.10 To the extent there is any conflict between any of the provisions of these Rules, the Contract Terms, any Circular or Clearing House Rules the provision of the first document specified in the paragraphs below shall, as between the Exchange and a Member, prevail, control, govern and be binding upon the parties:
- (a) these Rules (excluding the Trading Procedures, Complaint Resolution Procedures and Membership Procedures);
  - (b) the Trading Procedures;
  - (c) the Clearing House Rules;
  - (d) the Contract Terms and Contract Procedures;
  - (e) the Membership Procedures;
  - (f) the Complaint Resolution Procedures;
  - (g) the Electronic User Agreement; and
  - (h) any Circular (except for a Circular communicating an amendment to any of the above documents in accordance with these Rules, in which case the amendments communicated in such Circular shall be binding on the effective date specified in the Circular as if such amendments were one of those documents),
- provided that this Rule A.1.10 is without prejudice to any other order of construction or interpretation as between the Clearing House and Clearing Members set out in the Clearing House Rules.
- A.1.11 All references to "**tax**" shall include, without limitation, any tax, levy, impost, duty, or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying the same).
- A.1.12 Any capitalised term used in these Rules that is not defined in Rule A.1.1 or elsewhere herein shall have the meaning given to it in the Clearing House Rules.
- A.1.13 The Rules, together with the applicable Electronic User Agreement and other documents listed in Rule A.1.10 that are given contractual force pursuant to these Rules, form a contract between Exchange and each Member and between each Member and every other Member. All obligations of the Exchange hereunder are solely to Members. Subject to Applicable Laws in respect of which the relevant Members shall have the right to enforce the relevant provisions of these Rules or ICE Futures Contract Terms and Procedures against one another, no person shall have any right pursuant to the Contracts (Rights of Third Parties) Act 2001 to enforce any provision of these Rules or the ICE Futures Contract Terms and Procedures.
- A.1.14 These Rules, and all non-contractual obligations arising out of or in connection with these Rules or any Contract, shall be governed by and construed in accordance with the laws of the Republic of Singapore.
- A.1.15 These Rules may be supplemented by processes established pursuant to documents governing the internal governance of the Clearing House and its committees.
- A.1.16 Notwithstanding Rule A.1.13, nothing in these Rules shall preclude a client or any other person from agreeing to the application of these Rules or any provision of these Rules in their agreements with any Member, Clearing Member or third party, in which case the Exchange shall, in accordance with the

Contracts (Rights of Third Parties) Act 2001, be entitled to enforce any provision of these Rules as a third party to the extent any rights arise under such legislation.

- A.1.17 The Exchange may issue Circulars or amend or revoke the contents of Circulars in connection with the Market, the Rules or any action taken by it under the Rules at any time at its discretion and without prior consultation. Any such publication of a Circular on the Exchange website shall constitute good and sufficient delivery thereof to each Member.
- A.1.18 All references to a "**client**" or "**customer**" shall refer to a client of a Member (which, in connection with a Clearing Member, may itself be a Member) but shall exclude those persons set out in subparagraphs (a) to (c) of Regulation 15(1) of the SF(LCB)R.
- A.1.19 The delivery by hand, electronic transmission, facsimile or telephone of any notice, order or other communication to a Member at the address, facsimile number or telephone number last designated by it to the Exchange shall be good and sufficient delivery thereof to such person (unless another method of delivery is specified in the Rules). The publication of a Circular shall amount to good and sufficient delivery of the contents of the Circular to all Members.

## A.2 SPIRIT OF THE RULES

- A.2.1 The Rules shall at all times be observed, interpreted and given effect in the manner most conducive to the promotion and maintenance of:
- (a) the status of the Exchange as an approved exchange under the SFA and any other legal or regulatory status it has from time to time under any other Applicable Law;
  - (b) the good reputation of the Exchange (and Members);
  - (c) an orderly market, free of undesirable situations or practices;
  - (d) high standards of integrity and fair dealing in accordance with MAS Requirements;
  - (e) proper protection for all persons interested in the performance of transactions entered into under the auspices of the Exchange; and
  - (f) the safe and efficient functioning of the Market and the protection of the interests of the investing public.
- A.2.2 Each of the Rules shall, unless the context otherwise requires, be construed as an independent provision and shall be in addition and without prejudice to any other provision of the Rules.
- A.2.3 Any matter or right stated to be in, of or at the Exchange's discretion shall be subject to the Exchange's sole, unfettered and absolute discretion and such discretion may be exercised at any time. Where there is a provision that the Exchange (or its Directors, officers, employees, committees or panels or any individual committee or panel member) may make further directions upon or in relation to the operation of a Rule or may make or authorise any arrangement, direction or procedure thereunder, the Exchange may make such direction or make or authorise such arrangement or procedure in relation to or under the whole or any part of the Rule and may make or authorise different directions, arrangements or procedures in relation to different persons and may make or authorise such directions, arrangements or procedures generally or in relation to a particular person or particular occasion and in all cases subject to such conditions as it may think fit. Any action taken at the discretion of the Exchange may not be challenged by any person (except as provided for in these Rules).
- A.2.4 Where there is no express provision made in the Rules, the Exchange may from time to time implement such procedures as they think fit in relation to any aspect of the management of the Exchange and the conduct of business on the Exchange.
- A.2.5 The Exchange may agree with a Member or a concerned person to waive or vary particular requirements of these Rules in such circumstances and subject to such conditions as the Exchange thinks fit providing that the Exchange is satisfied that compliance with the relevant requirements would be unduly burdensome to the Member or person concerned or that compliance with the relevant

requirement would not be in the interests of the Exchange, and waiver or variation of the requirements does not disadvantage other Members or create unacceptable risks for the Exchange. Waivers or variations of requirements may be publicised at the discretion of the Exchange.

A.2.6 The Rules shall, unless the context otherwise requires, be construed in such a way as to impose responsibility on Members for all acts, omissions, conduct or behaviour of the Member's Representatives in accordance with Rule A.9.

A.2.7 To the extent that the Exchange or any Member has any right under these Rules which may on its face be performed in a manner that goes beyond that which is permitted by Applicable Law, that right may only be exercised to the extent permitted under Applicable Laws. For the avoidance of doubt, no reference in these Rules to Applicable Laws (including the expressions "without prejudice to Applicable Laws", "subject to Applicable Laws" or similar), shall be construed as restricting or negating the applicability of any provision of the SFA or any MAS Requirements thereunder or any obligation or liability of the Exchange, a Member, a client or a Governmental Authority under the SFA or any MAS Requirements.

### A.3 RELATIONS WITH OTHER REGULATORY AUTHORITIES

A.3.1 With a view to maintaining the status of the Exchange as an approved exchange under the SFA, the Exchange may:

- (a) make arrangements with any person for monitoring compliance with and investigating alleged breaches of the Rules (and arrangements, procedures and directions made, authorised or given thereunder); and
- (b) co-operate generally with any other Governmental Authority having responsibility for the regulation of investment or any other financial business or the enforcement of law.

Without prejudice to the generality of this Rule A.3.1 and subject to Rule A.4:

- (i) this may include making arrangements for the sharing of information with Governmental Authorities; and
- (ii) the Exchange may, where appropriate, at any time refer a complaint or any other matter coming to its attention to one or more exchanges, clearing houses or other Regulatory Authorities for its or their comment or investigation and may, pending the result of such reference, either suspend or continue with (in whole or in part) its own investigations, proceedings or other actions.

A.3.2 Subject to Applicable Law, the Exchange may at any time make additional Rules, or amend or revoke the Rules or part of them, to the extent they consider necessary or desirable for the continued status of the Exchange as an approved exchange under the SFA. Any Rule so made, and any such amendment or revocation, shall be announced by Circular to Members and shall take effect at such time and in such manner as the Exchange may determine. The Exchange shall consult Members in such manner as it sees fit on any proposed amendments to the Rules, but it is not obliged to consult Members where the Exchange determines that the proposed Rule amendments would have a limited impact on Members.

### A.4 CONFIDENTIALITY

A.4.1 The Exchange shall be entitled to keep records in an electronic or durable medium of all data or information available to it under these Rules or otherwise concerning Members (including financial statements filed with the Exchange), Matched Transactions, Contracts, positions, accounts, customers and clients, deliveries and settlement and all other information concerning a Member's affairs (including information concerning its clients and Member's Representatives) acquired by it in the course of its operations or investigations, including information provided by a Member to the Exchange at the Exchange's request, or pursuant to the Rules or Applicable Laws.

A.4.2 All information received or held by the Exchange pursuant to Rule A.4.1 above shall be held in confidence by the Exchange and shall not be made known to any other person, subject to Rule A.4.3.

- A.4.3 Members and clients are given notice that the Exchange is subject to Section 21(1) of the SFA (subject to the exemptions to the obligation to maintain confidentiality set out in Section 21(2) of the SFA and Regulation 10(1) of the Securities and Futures (Organised Markets) Regulations 2018). Subject, at all times, to such Applicable Laws, the Exchange may, notwithstanding Rule A.4.2, make the following disclosures of confidential information subject to such terms and conditions as the Exchange may from time to time deem appropriate:
- (a) to a Regulatory Authority or Governmental Authority where a request is formally made to the Exchange by or on behalf of the same or pursuant to Applicable Laws, where disclosure is required under Applicable Laws or is necessary for the making of a complaint or report under Applicable Laws for an offence alleged or suspected to have been committed under Applicable Laws;
  - (b) in the case of a breach by a Member of: (i) any membership criteria established by the Exchange, whether as a breach of Rule B.3, the Membership Procedures or otherwise; or (ii) such Member's obligation to publicly disclose prices and fees associated with the services it provides and/or its obligation to provide clients with separate access to each specific service it provides to the public;
  - (c) pursuant to an order of a competent court or other Governmental Authority or otherwise to such other persons, at such times and in such manner as may be required by Applicable Law;
  - (d) to any member of the ICE group, any other exchange or clearing organisation and any of their representatives, committees, experts, delivery facilities, auditors, advisers, sub-contractors or lawyers including (without limitation) for audit, compliance, making or taking delivery, market surveillance or disciplinary purposes for the purposes of an arbitration pursuant to Section H or any proceedings in support of such an arbitration, or in relation to any possible or actual Event of Default under and within the meaning of Rule D.3, in accordance with Rule D.10 or under the Clearing House Rules, or the termination or suspension of any membership;
  - (e) to any person in the business of providing data processing or similar services for the purposes of performing computations or analysis, or of preparing reports or records, for the Exchange;
  - (f) to any person who has provided or is considering entering into a loan, insurance policy, guarantee or other financial arrangement with the Exchange or any of its affiliates, provided that information identifying the positions or name of a Member or any of its accounts or the name of any of a Member's clients will not be so disclosed;
  - (g) to any Insolvency Practitioner and any other authority or body having responsibility for any matter arising out of or connected with an Event of Default under and within the meaning of Rule D.3 or under the Clearing House Rules;
  - (h) in the case of information relating to any Matched Transaction or Contract (including details of the parties thereto and related margin), to a Repository or Governmental Authority for purposes of transaction reporting;
  - (i) to any person or to the public as a result of its complaints procedure or disciplinary proceedings, including pursuant to Rule E.4.13;
  - (j) to any person if the information comes into the public domain, other than as a result of a breach of this Rule by the Exchange or its representatives;
  - (k) in the case of information concerning any client of a Member, to such Member with a relationship with such client in respect of trades entered into for such client, including, without limitation, information concerning the user ID and contact details of the Member's clients granted access to the ICE Platform by such Member through the Front End Application provided by an affiliate of the Exchange. In the event that the Exchange discloses client details to a Member, the Exchange may simultaneously notify relevant clients of such disclosure;
  - (l) otherwise with the specific written consent of the person or persons to whom the confidential information relates; or

- (m) otherwise to any person permitted under Section 21(2) of the SFA and Regulation 10(1) of the Securities and Futures (Organised Markets) Regulations 2018, in accordance with such provisions.
- A.4.4 The Exchange is a data controller in relation to Personal Data provided to it by Members and their Member's Representatives and clients and may collect and use such Personal Data for the purposes of fulfilling the contractual obligations it owes to its Members and operating an approved exchange in accordance with these Rules. Each Member shall ensure that:
- (a) any and all of its Member's Representatives and clients in relation to whom Personal Data are provided to the Exchange ("**Data Subjects**") have consented in advance to such data being collected, used, disclosed and Processed by the Exchange, or, if not a natural person, have agreed to procure such consent to the extent necessary;
  - (b) the disclosure of Personal Data by the Member or its Member's Representatives is in all respects and in each case lawful; and
  - (c) the information set out in Rule A.4.5 has been provided to each Data Subject prior to disclosure of Personal Data relating to such Data Subject to the Exchange.
- A.4.5 The Exchange shall have the right to disclose Personal Data to such Persons and for such purposes as are set out in Rule A.4.1. The Exchange and other persons referred to in Rule A.4.1 may transfer Personal Data outside Singapore subject to Applicable Law.
- A.4.6 Data Subjects have the right (subject to Applicable Law): (i) on payment of a small fee to the Exchange, to receive a copy of Personal Data held by the Exchange; (ii) to have any errors or inaccuracies in such Personal Data rectified; and (iii) to submit questions to the Exchange in relation to collection, use or disclosure by the Exchange of Personal Data in relation to such Data Subject. Any request should be addressed to the Exchange's registered office.
- A.4.7 In this Rule A.4 only, the terms "**Process**" (and derivations thereof) and "**Personal Data**" each have the meaning given to such terms in the Personal Data Protection Act 2012 ("**PDP**").
- A.4.8 Each Member and the Exchange:
- (a) consents to the recording of telephone conversations between the trading, clearing and other relevant personnel of the Member and its affiliates and the Exchange and its affiliates in connection with the Rules and any Contract, potential Contract, or Matched Transaction will take place to the extent permitted or required under applicable laws;
  - (b) agrees to obtain any necessary consent of, and give any necessary notice of such recording to, its and its affiliates' Member's Representatives and other relevant personnel;
  - (c) agrees, to the extent permitted by Applicable Law, that recordings may be submitted as evidence in any dispute; and
  - (d) agrees that the other provisions of this Rule A.4 shall apply to any such recordings made by the Exchange.
- A.4.9 In circumstances where the General Data Protection Regulation (EU) 2016/279 or any successor legislation thereto (together "**GDPR**") applies:
- (a) the word "**Controller**" will be substituted in place of "**data controller**" in Rule A.4.4;
  - (b) Rules A.4.4(a) to (c) shall not apply, provided that each Member shall ensure that in respect of any Personal Data that it provides to the Exchange it has a lawful basis for processing the relevant Personal Data in this manner;
  - (c) Rules A.4.5 to A.4.6 shall not apply;

- (d) notwithstanding for the avoidance of doubt any contrary provision in Rules A.1 and A.4.7, the terms "Process" (and derivations thereof), "Personal Data", "Data Subject" and "Controller" each have the meaning given to such terms in the GDPR when used in Rules A.4.4 to A.4.6 and A.4.9 (as applicable);
- (e) the words "acknowledges that" will be substituted in place of "consents to" in Rule A.4.8(a); and
- (f) the words "acknowledges" will be substituted in place of "agrees" in Rule A.4.8(c),

provided in all cases that no provision of this Rule A.4.9 shall permit the Exchange to breach any applicable provision of the PDPA or to affect any right that a person is entitled to under the PDPA.

## **A.5 GENERAL POWERS OF THE EXCHANGE**

- A.5.1 The Exchange shall have the power to declare any day a non-Trading Day on giving notice thereof to Members.
- A.5.2 [Not used.]
- A.5.3 [Not used.]
- A.5.4 If any Member shall default in the performance of any Contract it shall be liable to be suspended from membership or expelled under Rule B.7.1, notwithstanding that it complied with any requirement as to the settlement of such default.
- A.5.5 The Rules and all additions and amendments thereto may from time to time be printed and circulated amongst Members or others interested therein in such manner as the Exchange shall think fit.
- A.5.6 [Not used.]
- A.5.7 In respect of any automated trading system administered by the Exchange, the Exchange may from time to time determine the rights and obligations to be conferred on any Member entitled to use and access such automated trading system, including without limitation, the ICE Platform.

## **A.6 FINANCIAL POWERS**

- A.6.1 The Exchange may impose contract levies of such amounts, and payable to the Exchange in such manner and on such occasions, as they shall from time to time determine. Unless otherwise provided such levies shall be payable on all Contracts registered with the Clearing House. Different rates of levy may be imposed in respect of different Products and different categories of Member.

## **A.7 EXCLUSION OF LIABILITY**

- A.7.1 The Exchange wishes to draw to the attention of Members and clients that business on the Market or through any other facility provided by the Exchange may from time to time be suspended or restricted or such facilities (including, without limitation, the Market) may from time to time be closed for a temporary or longer period. Without limitation, this may occur as a result of the occurrence of one or more events which require action to be taken by the Exchange under the Rules in the interests of, *inter alia*, maintaining a fair and orderly market. Any such action may result in the inability of one or more Members and through such Member one or more clients to enter into Contracts or Corresponding Contracts on the Market in accordance with the Rules. Furthermore, a Member and through the Member one or more clients may from time to time be prevented from or hindered in entering into Contracts or Corresponding Contracts on the Market as a result of failure or malfunction of communications equipment or Trading Facilities including, but not limited, to the ICE Platform, or Front End Application supplied to the Member by an affiliate of the Exchange or any other person. Unless otherwise expressly provided in the Rules or in any other agreement to which the Exchange is party, neither the Exchange nor its Directors, officers, employees, committees, panels, any individual committee or panel member, agents or representatives shall be liable to any Member or client for any loss, damage, injury or delay (including any indirect or consequential loss, including without limitation, any loss of profit) arising from or in connection with the Trading Facilities including, but not limited,

to the ICE Platform or the occurrence of a temporary or longer suspension, restriction or closure of business on the Market or the Trading Facilities including, but not limited to, the ICE Platform or any act or omission of the Exchange, its Directors, officers, employees, committees, panels, any individual committee or panel member, agents or representatives under the Rules or pursuant to the Exchange's obligations under statute or from any breach of contract by or any negligence howsoever arising of the Exchange, its Directors, officers, employees, committees, panels, any individual committee or panel member, agents or representatives which may prevent or hinder a Member or, through a Member, a client from entering into or closing out a Contract or Corresponding Contract or otherwise affect a Member or client. The Exchange is not liable for any action or omission of the Clearing House.

A.7.2 Rule A.7.1 shall be without prejudice to the provisions of the Electronic User Agreement regarding liability of the Exchange. Nothing in Rule A.7.1 shall operate to exclude the Exchange's liability for death or personal injury resulting from negligence or for fraud.

## A.8 TRADING HOURS, DAYS AND PRODUCTS

- (a) The Market shall, subject to paragraph (b) below, be open from Monday to Friday of each week between the hours each day and for such Products as decided by the Exchange and published by Circular from time to time. The trading times for each Product, subject to the closures required below, shall be determined by the Exchange from time to time.
- (b) The Market shall be open on such Saturdays, Sundays and public holidays in Singapore for the trading of such Products on those Saturdays, Sundays and public holidays as the Exchange determines from time to time. The Exchange shall issue by Circular from time to time a list of the public holidays on which the Market shall be open or closed (as the case may be) and may identify in such Circular the Products which shall be available or unavailable for trading (as the case may be) on such days.
- (c) The Market shall be closed on: Saturdays; Sundays; public holidays in Singapore, subject to paragraph (b) above; any day on which trading is suspended under Applicable Law; and on a temporary basis on any other day for such hours that the Exchange shall from time to time decide is necessary or appropriate in the circumstances, as published by Circular.
- (d) The Exchange may, from time to time and subject to Applicable Laws, de-list or make dormant certain Products available for trading. If there are no open positions in the relevant Contract Month or Contract Date for a Product the Exchange wishes to de-list or make dormant, the de-listing or dormancy shall be effective from the date and time the Exchange notifies. If there are open positions in the relevant Contract Month or Contract Date for the relevant Product being de-listed or made dormant, the Exchange shall notify the procedures for immediate settlement either as cash settlement or any other method for closing out open positions. Where reasonably practicable or possible, the Exchange shall give reasonable prior notice of its intention to de-list or make dormant a Product.

## A.9 MEMBER RESPONSIBILITY

A.9.1 In this Rule A.9, "**conduct**" means any act, omission, conduct or behaviour in relation to the Rules.

A.9.2 For the purposes of determining a Member's liability to be sanctioned for any conduct (referred to in this Rule A.9 as a "**disciplinary matter**"), a Member shall be responsible for:

- (a) all conduct of that Member's Representatives; and
- (b) conduct by a Member's client when placing orders under the ITM of a Responsible Individual registered to that Member,

as if that conduct were the conduct of the Member itself. For the avoidance of doubt, all conduct referred to in paragraphs (a) and (b) shall, for the purposes of this Rule A.9, be attributed to that Member and be treated as the conduct of that Member. However, it is understood that, notwithstanding the attribution of such conduct to the Member, the identified Member's Representative responsible for such conduct might also be liable to be sanctioned for such conduct.

- A.9.3 Notwithstanding Rule A.9.2, no sanction shall be imposed on a Member in respect of:
- (a) conduct by a Responsible Individual registered to that Member;
  - (b) conduct by a Member's Representative placing orders under the ITM of a Responsible Individual registered to that Member; or
  - (c) conduct by a Member's client placing orders under the ITM of a Responsible Individual registered to that Member,

where it is established to the satisfaction of the Disciplinary Panel or other person or body determining the disciplinary matter that the Member had taken all reasonable steps to prevent any conduct of the kind in question.

- A.9.4 The provisions of this Rule A.9 shall apply:
- (a) without prejudice to the liability of any other Person Subject to the Rules for the same conduct;
  - (b) in the case of inconsistency with any other provision of the Rules, in priority to that other provision;
  - (c) whether or not the Member's Representative is a Person Subject to the Rules;
  - (d) whether or not the Member and/or Member's Representative is/are exercising rights to use the Exchange's facilities; and
  - (e) whether or not the individual Member's Representative can be conclusively identified (provided that it is established that the relevant conduct was in fact carried out by a Member's Representative, albeit one that cannot be conclusively identified).

- A.9.5 If a person with obligations under these Rules is a partnership, the liability of each partner in the partnership under or in connection with these Rules shall be joint and several. In the event of any circumstances which would by operation of Applicable Law give rise to the dissolution of the partnership, or entitle a partner to seek an order to dissolve the partnership, the obligations of the partners shall remain in full force and effect.

## **A.10 RESPONSIBLE INDIVIDUAL RESPONSIBILITY**

- A.10.1 A Responsible Individual shall be responsible for trading activity conducted under his ITM(s).
- A.10.2 Where trading is also conducted, pursuant to Trading Procedure 1.2.2 by other individuals within the Member under the ITM(s) of a Responsible Individual registered to the Member, such trading shall be under the supervision of the relevant Responsible Individual, who shall ensure the fitness and propriety of such individuals and register their names with the Exchange.
- A.10.3 Where access is granted by the Member to clients (order routing) and, pursuant to Trading Procedure 1.2.3, the client orders are submitted under an ITM assigned to a Responsible Individual, the submission shall be under the relevant Responsible Individual's supervision who shall ensure the fitness and propriety of such individuals and register their names with the Exchange.
- A.10.4 Notwithstanding Rule A.9.2 or Rule A.10.1, no sanction shall be imposed on a Responsible Individual in respect of:
- (a) conduct of, or trading activity conducted under his ITM(s), by an individual of the Member with whom that Responsible Individual is registered;
  - (b) conduct by a Member's Representative placing orders under the ITM of that Responsible Individual; and
  - (c) conduct by a Member's client placing orders under the ITM of that Responsible Individual,

where it is established to the satisfaction of the Disciplinary Panel or other person or body determining the disciplinary matter (as referred to in Rule A.9) that the Responsible Individual had taken all reasonable steps to prevent any conduct of the kind in question.

#### **A.11 SYSTEMS AND CONTROLS**

A.11.1 Without prejudice and in addition to any other specific requirement in these Rules regarding systems and controls, a Member shall be responsible for making adequate arrangements, systems and controls for ensuring that:

- (a) its internal affairs are organised and controlled in a responsible and effective manner with adequate risk management systems;
- (b) its internal record-keeping is adequate;
- (c) all of its Member's Representatives and substantial shareholders are fit and proper in accordance with the criteria set out in the Guidelines on Fit and Proper Criteria issued by the MAS, suitable, adequately trained and properly supervised;
- (d) all business conducted on the Market, including individual transactions, complies with the Member's and Responsible Individual's obligations under the Rules;
- (e) any business conducted by it, or by or through any of its Member's Representatives shall not cause the Member, any Member's Representative or the Exchange to be in breach of any Applicable Laws and MAS Requirements;
- (f) a Responsible Individual does not enter orders into or make trades on the ICE Platform in or from a jurisdiction where the Exchange does not have the relevant regulatory status (if such regulatory status is required) if to do so would bring the Exchange into disrepute with the relevant Regulatory Authority within such jurisdiction or put the Exchange in breach of any regulatory obligations to which it might be subject within that jurisdiction;
- (g) any hardware, information technology or any online services provided to it, or any of its Member's Representatives, or made available to it, or any of its Member's Representatives, pursuant to its membership of the Exchange shall only be used for the purposes of conducting its business and activities as a Member of the Exchange in accordance with these Rules; and
- (h) any person order-routing through it is fit and proper, for access to the ICE Platform, has appropriate systems and controls in relation to trading on the same, are properly supervised and is registered with the Member.

A.11.2 The Exchange may publish guidance from time to time on what arrangements, systems and controls it considers appropriate in the context of this Rule A.11.

#### **A.12 TAX**

A.12.1 In the event that the Exchange determines that it will suffer or has suffered (directly or indirectly) any loss, liability or cost for or on account of any tax in connection with any Matched Transaction, Contract or otherwise pursuant to the Exchange's business as an approved exchange, any amount payable to the Exchange or in respect of any future obligation, or these Rules, the Members with orders matched under such Matched Transaction, the Member counterparty to such Contract or the Member by which such amount is payable shall be liable to pay to the Exchange an amount equal to such loss, liability, or cost.

A.12.2 All amounts set out in or expressed to be payable to the Exchange in connection with any Matched Transaction, Contract, these Rules or otherwise pursuant to the Exchange's business as an approved exchange and which constitute the consideration for a supply made by the Exchange for the purposes of Goods and Services Tax, and the value of any supply made by the Exchange for Goods and Services Tax purposes, shall be deemed to be exclusive of any Goods and Services Tax which is chargeable on that supply and accordingly if Goods and Services Tax is chargeable on any supply made by the Exchange the relevant Member shall pay to the Exchange (in addition to and at the same time as the

consideration is paid or provided, or if no consideration is due, at the time the supply is made or an appropriate Goods and Services Tax invoice is issued, whichever is earlier) an amount equal to the amount of the Goods and Services Tax and the Exchange shall issue an appropriate Goods and Services Tax invoice.

- A.12.3 All amounts payable to the Exchange or by the Exchange in connection with any Matched Transaction, Contract, these Rules or otherwise pursuant to the Exchange's business as an approved exchange shall be paid without any deduction or withholding for or on account of tax unless such deduction or withholding is required by Applicable Law. If a deduction or withholding for or on account of tax is required to be made in relation to an amount payable to the Exchange, the amount of the payment due shall be increased to an amount which (after making the deduction or withholding) leaves an amount equal to the payment which would have been due if no such deduction or withholding had been required.

**SECTION B - MEMBERSHIP**

|      |                                   |
|------|-----------------------------------|
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| B.2  | Categories of Membership          |
| B.3  | Membership Criteria               |
| B.4  | Application for Membership        |
| B.5  | Ongoing Notification Requirements |
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| B.6A | Market Maker Programs             |
| B.7  | Suspension and Expulsion          |
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| B.9  | [Not used.]                       |
| B.10 | Clearing Activities               |
| B.11 | Responsible Individuals           |
| B.12 | [Not used.]                       |

**B.1 GENERAL PROVISIONS**

- B.1.1 A person may be a Member by virtue of being admitted to membership under a category referred to in this Section B. Section B will govern a Member's permissions in relation to the ICE Platform. A separate application will be necessary if a person seeks to acquire a new category of membership.
- B.1.2 Every Member shall pay such annual subscription as the Exchange may from time to time determine in respect of its category of membership and any trading/clearing permission(s). The subscription shall be due each year on such date as the Exchange may from time to time determine. A failure to pay the subscription by the due date may be punished by the Exchange by any sanction listed in Rule E.4.11 subject to the rights of reconsideration and appeal set out in Rule B.8.
- B.1.3 [Not used.]
- B.1.4 (a) A Member shall at all times satisfy the criteria from time to time set out in or under the Rules for admission to a category of membership, save as may otherwise be provided in or under the Rules. A Member and any Person Subject to the Rules shall be bound by the Rules and any arrangement, provision or direction made, authorised or given thereunder.
- (b) Any failure by a Member or any Person Subject to the Rules to observe or comply with the Rules or any such arrangement, provision or direction may lead to steps, including, without limitation, disciplinary proceedings, being taken by the Exchange in respect of the Member or Person Subject to the Rules under the Rules.
- (c) References in the Rules to a Member being prohibited from engaging in a course of action shall, in the case of activities in respect of the ICE Platform, infer a like prohibition upon any person accessing the ICE Platform by or on behalf of the Member (including any Member's Representative acting through the Member).
- B.1.5 Every person admitted to membership of the Exchange shall sign a member statement as part of its application to a category of membership under Rule B.4, for the time being prescribed by the Exchange, agreeing to be bound by the Rules in so far as they relate to its category of membership and to accept as binding any decision made by the Exchange under the Rules, subject to such rights of review or appeal as may be contained in the Rules.
- B.1.6 A dispute concerning the status, rights or obligations of a Member or any other person under the Rules, or any question in such connection which is not provided for therein, shall be referred to arbitration in accordance with Section H.
- B.1.7 Without prejudice to any other steps the Exchange may be entitled to take under the Rules, where:
- (a) the Exchange has determined in its opinion that a Member does not meet the requirements of the Rules and that the Member has failed to demonstrate to the Exchange's satisfaction that the Member meets such requirements; or
- (b) a Member is located or incorporated in a jurisdiction in respect of which (i) the Exchange is not of the opinion that it is able to offer access to its Trading Facilities or (ii) it is unlawful for the Exchange to provide access to the Member to its Trading Facilities taking into account any licenses, authorisations, exemptions, opinions or similar which the Exchange has obtained or arranged (provided in all cases that the Exchange will promptly make publicly available from time to an overview of jurisdictions in respect of which it has formed an opinion that it is able to offer such access in certain jurisdictions in the specified manner),

the Exchange shall be entitled to terminate the membership of such Member upon written notice to the Member taking effect no less than 30 days after the date of service of the notice. The Exchange may publish details of any termination or a copy of any termination notice in or together with a Circular, at its discretion. The Exchange shall not exercise such right where the Member has requested prior to the expiry of such 30 days' period that a Disciplinary Panel consider any matters described in (a) above and as set out in the written notice provided to the Member under this Rule, which Disciplinary Panel may, for the avoidance of doubt, recommend the expulsion of the Member under Rule B.7.1 or the exercise or imposition of other remedies and sanctions under the Rules.

- B.1.8 A Member may terminate its membership of the Exchange by 30 days' prior notice in writing to the Exchange, provided that:
- (a) the termination of membership shall only take effect on the date the Member has satisfied all outstanding obligations to the Exchange; and
  - (b) if the Member has been Declared a Defaulter under Rule D.4 before the expiry of its notice of termination (whether the declaration is made before or after its giving of such notice), its membership shall continue until the completion of Default Proceedings (within the meaning of Section D).

The Exchange may publish details of any termination or a copy of any termination notice in or together with a Circular, at its discretion.

- B.1.9 Notwithstanding the effectiveness of any termination of membership pursuant to Rules B.1.7 or B.1.8, a former Member and its Responsible Individuals shall remain subject to the jurisdiction of the Exchange for one year after such expiry, or such other period as is required for the determination of any proceedings including any appeal, as if continuing to be a Member, in respect of:
- (a) things done or omitted by the Member or its Responsible Individuals before the expiry of its notice of termination, and
  - (b) steps taken by the Exchange or other person or body under Sections D (Default), E (Disciplinary), H (Arbitration) and Rule I.20 in relation to a Delivery Panel in respect of things so done or omitted.

## **B.2 CATEGORIES OF MEMBERSHIP**

- B.2.1 Subject to Rule B.2.1A below, any person seeking access to trading on the ICE Platform as a Member must elect and apply for one of the following categories of membership:
- (a) General Participant - to transact Own Business and business for clients (whether such clients are other Members or non-Members) including, for the avoidance of doubt, on ICE Block;
  - (b) Trade Participant - to transact Own Business only, including, for the avoidance of doubt, on ICE Block;
  - (c) [Not used.]
  - (d) General Participant ICE Block (which, for the avoidance of doubt, is not a subset of the General Participant category set out in paragraph (a) above) - to report business for clients (whether such clients are other Members or non-Members) through ICE Block;
  - (e) Trade Participant ICE Block - (which, for the avoidance of doubt, is not a subset of the Trade Participant category set out in paragraph (b) above) to transact Own Business only and report through ICE Block;
  - (f) [Not used.]

B.2.1A Any person seeking access to ICE Block as an ICE Block Member must make an appropriate election confirming its intention to act as an ICE Block Member in its application for Exchange membership.

B.2.2 Each category of Exchange membership confers the permissions set out in Rule B.6. Only certain categories of membership are eligible to be Clearing Members for the purposes of the Rules, on the basis set out in Rule B.10 below.

## **B.3 MEMBERSHIP CRITERIA**

- B.3.1 An applicant for access to trading on the ICE Platform as a Member must, at the time of its application and at all times thereafter:
- (a) be able to demonstrate, to the satisfaction of the Exchange, that the applicant, its Member's Representatives and substantial shareholders are each fit and proper in order for it to be a

Member, in accordance with the criteria set out in the Guidelines on Fit and Proper Criteria issued by the MAS;

- (b) be able to demonstrate, to the satisfaction of the Exchange, that the applicant has sufficient systems and controls in place to ensure that all the Member's Representatives who may act on its behalf or in its name in the conduct of business on the ICE Platform are fit and proper, suitable, adequately trained and properly supervised to perform such functions in accordance with the criteria set out in the Guidelines on Fit and Proper Criteria issued by MAS;
- (c) maintain a properly established office (in a location which is acceptable to the Exchange as it may determine in its absolute discretion) for the conduct of its business on the ICE Platform;
- (d) satisfy the minimum financial standing requirements for the time being stipulated by the Exchange in relation to the relevant category of membership and as set out in the Membership Procedures, supporting its claim to do so by copies of its last three years of audited accounts (or in the case of an ICE Block Member, a copy of its last audited accounts) and by a copy of its latest audited accounts from time to time as they become available, or such other evidence as the Exchange may require;
- (e) be party to an Electronic User Agreement, which is in full force and effect, in the form prescribed by the Exchange from time to time for use by the Member of the ICE Platform at the address(es) notified to the Exchange;
- (f) be able to access the Trading Server via a Front End Application which meets the Exchange's (or its affiliate's) Conformance Criteria;
- (g) if it is to transact business: (i) in respect of Own Business, be a Clearing Member; (ii) in respect of the account of a client, be a Clearing Member; or (iii) if it is not a Clearing Member in the case of (i) or (ii), be a party to or satisfy the Exchange that it will become a party to a Clearing Agreement with a Clearing Member, in either case in respect of all types of Product covered by its trading and/or clearing permissions under Rule B.6 from time to time, in each case as permitted by the Rules;
- (h) hold all necessary Authorisations so as to allow it to carry on business as a Member on the ICE Platform, including ICE Block, in accordance with all Applicable Laws;
- (i) be able to demonstrate, to the satisfaction of the Exchange, that the applicant is permitted under Applicable Law, these Rules and any applicable Circulars to engage in transactions in relevant Contracts, in particular, in respect of restrictions or requirements imposed by the Exchange in respect of activities in specific jurisdictions;
- (j) if it is not incorporated in Singapore, have appointed and maintain an agent to act as its agent to accept service of process issued out of the courts of Singapore in relation to any arbitration commenced pursuant to Section H, the Electronic User Agreement or any other dispute resolution process set out in these Rules, the ICE Futures Contract Terms and Procedures or the Electronic User Agreement. Nothing in these Rules, the ICE Futures Contract Terms and Procedures, the Electronic User Agreement or any Contract shall affect the right of the Clearing House to serve process in any other manner permitted by Applicable Law; and
- (k) satisfy any other criteria specified in the Membership Procedures.

**B.3.2** In addition to meeting the general criteria above:

- (a) no natural person may apply for, or be admitted to any class of membership of, the Exchange or otherwise be a Member;
- (b) an applicant to be a General Participant or a Trade Participant must satisfy any other specific criteria or other requirements stipulated by the Exchange from time to time in relation to the particular category of membership applicable to it, supplying such documents in support thereof as they may require; and

- (c) an applicant for any category of membership, or an existing Member may be restricted by the Exchange in the types and categories of Products in relation to which they may trade.

B.3.3 When transacting business for clients, Members who are in the General Participant category must:

- (a) apply pre-trade controls on the order flow of such clients;
- (b) remain responsible for the effectiveness of pre-trade controls and monitoring in all circumstances and be solely entitled to set or modify the parameters or limits of such controls and monitoring, notwithstanding that it uses its own pre-trade controls or controls provided by a third party or controls or real time monitoring offered by the Exchange or its affiliate;
- (c) monitor the performance of pre-trade controls on an ongoing basis; and
- (d) set order submission limits for each client in respect of pre-trade controls on the basis of credit and risk limits established from initial due diligence and periodic review of such client by the Member.

#### **B.4 APPLICATION FOR MEMBERSHIP**

- B.4.1 An applicant for membership under any of the above categories (other than an entity applying to be an ICE Block Member), shall complete such form of application as the Exchange may prescribe, specifying: (1) which category of membership it is seeking; (2) whether it wishes to trade and/or clear Energy Contracts, Index Contracts, Soft Commodity Contracts, FX Contracts, Precious Metal Contracts or such other Products as the Exchange may offer for trading from time to time; (3) whether it is to be a Clearing Member; and (4) if not a Clearing Member, details of the Clearing Members with which it has made clearing arrangements. In the case of an entity applying to be an ICE Block Member, the applicant shall complete such form of application as the Exchange may prescribe, electing whether it wishes to enter: (i) Block Trades and/or EFRPs on ICE Block; and/or (ii) the ICE Platform for the purpose of entering Cross Trades, and specifying the Products for which it wishes to have access.
- B.4.2 Any application must be submitted to the Exchange for determination. An applicant must satisfy the Exchange that it meets the criteria for the time being for the category of membership being sought (further particulars of which may, at any time, be obtained from the Exchange, including particulars of any other criteria or requirements stipulated by the Exchange under Rule B.3.2 and any guidance or requirements as to how certain criteria may be satisfied). Admission to membership of the Exchange shall not confer any right or obligation of membership in or right to attend or vote at meetings of, or any right to any share in, or any liability in respect of, the Exchange or any affiliate of the Exchange.
- B.4.3 The Exchange shall have absolute discretion, subject to the applicant's rights in respect of reconsideration and appeal under the Rules, whether to approve the application. If they refuse the application, the Exchange shall give the applicant a written statement of their reasons.
- B.4.4 A successful applicant shall be notified in writing by the Exchange of the approval of its application. The applicant shall be admitted to the category of membership applied for and details of the Products it may trade (or in the case of an ICE Block Member, the Products for which it may have access to ICE Block) will be confirmed. The membership shall become effective at the point in time notified by the Exchange to the applicant. Membership shall not be transferable.
- B.4.5 A Member may, at any time, apply to vary its category of membership and/or its clearing status. Such an application shall be made in the manner prescribed by the Exchange from time to time and shall be processed by reference to the criteria set out in this Section B.
- B.4.6 A Member may, at any time, apply to vary the Products it wishes to trade and/or clear, and in the case of an ICE Block Member, may vary its election to access ICE Block for Block Trades and/or EFRPs (as applicable), the ICE Platform for the purpose of entering Cross Trades or the Products for which it may have access. Such an application shall be made in the manner prescribed by the Exchange from time to time.
- B.4.7 Following an assessment of an applicant's membership eligibility the Exchange may grant a provisional approval for membership (an **"In-Principle Approval"**) specifying requirements to be

satisfied by an applicant. In such circumstances, the applicant must provide evidence of satisfaction of such specified requirements in order subsequently to become a Member. An In-Principle Approval does not provide to the relevant applicant any rights or privileges available under a membership of the Exchange.

## **B.5 ONGOING NOTIFICATION REQUIREMENTS**

B.5.1 Every Member shall notify the Exchange forthwith in writing of:

- (a) any change or anticipated change in circumstances applicable to the Member, of which the Member is aware, which will, or is likely to, result in the Member being unable to continue to satisfy any one or more of the membership criteria applicable to it;
- (b) any alteration in other business information which the Member may be required to furnish to the Exchange;
- (c) such information as the Exchange may stipulate from time to time with respect to trading on, or access to the ICE Platform, including, without limitation, location of screens used, details and location of user interfaces employed and order-routing arrangements put, or to be put, in place by or on behalf of the Member;
- (d) any other information specified in the Membership Procedures; and
- (e) any other information specified by the Exchange from time to time.

B.5.1AA Without prejudice to the generality of Rule B.5.1, Members shall provide the Exchange with any information necessary to enable the Exchange to meet its reporting obligations to any Governmental Authority or for any other regulatory purposes including, but not limited to, withholding tax purposes.

B.5.1A Every Member shall seek the consent of the Exchange in relation to:

- (a) (in the case of a firm or a company) any proposed change in the nature of business or legal status of the Member, any proposed change in legal or beneficial ownership of the equity or partnership capital of the Member or any other circumstance that to the directors' or partners' belief would or might have the effect of changing the control of the Member;
- (b) any proposed change in the identity of the Responsible Individuals registered on behalf of the Member and any proposed change in the location from which any such Responsible Individual will access the ICE Platform (where the new location is in a different jurisdiction from that previously notified to the Exchange);
- (c) any other material change in the way in which the Member accesses and uses the ICE Platform; and
- (d) any other item specified in the Membership Procedures.

B.5.2 In the case of a change in a partnership, the continuing and new partners shall sign and deliver to the Exchange a form of undertaking under which they jointly and severally agree to be bound as a Member of the relevant category by the Rules.

B.5.3 If the Exchange declines to approve any change notified under Rule B.5.1A above which requires their consent, the Member shall be informed accordingly, and if the change nonetheless becomes effective, the Member's permission to trade on the Market, to accept allocation of any Contracts made on the Market by another Member and to clear Contracts (as applicable) (or any one or more of such permissions) (or in the case of an ICE Block Member, the Member's permission to enter Block Trades and/or EFRPs (as applicable) on ICE Block and/or Cross Trades on the ICE Platform), may be suspended by the Exchange until the Exchange is willing, by agreement with the Member on such terms as they think fit, to lift the suspension.

B.5.4 In addition to the requirements of Rule B.5.1, every Member shall promptly (and thereafter upon demand or with such regularity as may be prescribed) notify the Exchange in writing of such information and of any changes thereto in respect of such of the Member's Representatives and other

persons as the Exchange may from time to time prescribe. Without limitation, such information may include details of all types of investment with which such person deals or has dealt, all previous employers, the reason for changing employment (including details of any allegation, investigation or suspicion prompting the person's resignation), all exchanges (whether or not in Singapore) upon which the person is or has in the past been permitted to trade, whether such permission has at any time been withdrawn and if so, the reason therefor, any disciplinary proceedings of any exchange or other Regulatory Authority commenced against the person and the outcome thereof.

- B.5.5** If the Exchange considers that there has been a failure to notify the Exchange fully in accordance with this Rule B.5 or if a Member has failed to obtain the Exchange's consent to the change in its circumstances or arrangements as required by the Rules, the Member's permission to trade on the Market, to accept allocation of any Contracts made on the Market by another Member and to clear Contracts (as applicable), or in the case of an ICE Block Member, the Member's permission to enter Block Trades and/or EFRPs (as applicable) on ICE Block and/or Cross Trades on the ICE Platform (or any one or more of such permissions) may be suspended for such time as the Exchange sees fit. Suspension under this paragraph shall not prejudice the power of the Exchange or the ARC Committee to commence disciplinary proceedings in respect of the failure.

## **B.6 SCOPE OF PARTICIPANT ACTIVITIES**

- B.6.1** A General Participant shall, in accordance with the elections it has communicated to the Exchange in respect of the Products it wishes to trade and/or clear as required under Rule B.4.1 or Rule B.4.6, be permitted to:

- (a) only trade Products if it has been approved for such Products on the ICE Platform, as appropriate, for Own Business and in connection with client business in conformity with the Rules;
- (b) register any number of Responsible Individuals;
- (c) in the case of a General Participant who is also a Clearing Member, become counterparty to the Clearing House in accordance with the Clearing House Rules in respect of:
  - (i) all Contracts arising pursuant to trades entered into by the General Participant on the ICE Platform;
  - (ii) by agreement, any Contract arising pursuant to trades entered into on the ICE Platform by another Member; and
- (d) accept allocations of Contracts arising pursuant to trades entered into on the ICE Platform in relation to relevant Products approved under paragraph (a).

- B.6.2** A Trade Participant shall, in accordance with the elections it has communicated to the Exchange in respect of the Products it wishes to trade and/or clear as required under Rule B.4.1 or Rule B.4.6, be permitted to:

- (a) only trade Products if it has been approved for such Products on the ICE Platform as appropriate, for Own Business in conformity with the Rules;
- (b) register any number of Responsible Individuals;
- (c) in the case of a Trade Participant who is also a Clearing Member, become counterparty to the Clearing House in accordance with the Clearing House Rules in respect of all Contracts arising pursuant to trades entered into on the ICE Platform by the Trade Participant; and
- (d) accept allocations of Contracts arising pursuant to trades entered into on the ICE Platform in relation to relevant Products approved under paragraph (a) by a General Participant provided that such Contracts constitute the Own Business of the Trade Participant.

- B.6.3** The Trading Procedures shall apply to all Members who trade on the ICE Platform (and to any Person Subject to the Rules).

- B.6.4 An ICE Block Member shall, in accordance with the elections it has communicated to the Exchange in respect of the Contracts it wishes to enter into ICE Block for Own Business or on behalf of Members (trading and/or clearing in accordance with Rule B.4.1 or Rule B.4.6), only be permitted to access ICE Block to enter Block Trades and/or EFRPs (as applicable) and/or the ICE Platform for the purpose of entering Cross Trades for such communicated Products, as appropriate.

**B.6A MARKET MAKER PROGRAMS****Participants in Market Maker Programs and Market Makers**

- B.6A.1 Participants in Market Maker Programs may be required to meet participation criteria, conditions and/or obligations set by the Exchange as applicable to participants in a particular Market Maker Program, as the same may be amended or added to from time to time, in order to be able to continue to participate in a particular Market Maker Program.
- B.6A.2 Any person applying to be a Market Maker may be required to satisfy specific criteria in relation to market making arrangements and Market Maker Commitments in relation to the trading of the Designated Products, as notified to the applicant by the Exchange.
- B.6A.3 Market Makers shall carry out all of their Market Maker Commitments, except that Market Makers shall not be obliged to carry out a Market Maker Commitment in the event that the Exchange confirms or the Market Maker reasonably determines and promptly notifies in writing to the Exchange, that the conditions which pertain in relation to the trading of a Designated Product for that Market Maker Program on the ICE Platform are abnormal.
- B.6A.4 In the event of the circumstances referred to in Rule B.6A.3 arising with regard to the Market Maker, the Market Maker may, acting reasonably, either:
- (a) widen the bid/offer spread applicable to the relevant Market Maker Commitment (and promptly notify the Exchange accordingly); or
  - (b) withdraw from carrying out its Market Maker Commitment with respect to the relevant Market Maker Program so long as the abnormal trading circumstances are verified as such by the Exchange, such verification occurring on the request of the Market Maker.

**Market Maker Programs**

- B.6A.5 The Exchange may make the availability of a Market Maker Program contingent on certain cleared volume levels or other criteria relevant to the benefit of the market.
- B.6A.6 Transactions entered into by the Market Maker pursuant to a Market Maker Program will be appropriately identified as such in accordance with arrangements for identifying Transactions agreed upon by the Exchange and the Market Makers. In the event that the Market Maker has not complied with reasonable Market Maker Program criteria or requests to assist Transaction identification for the purposes of the Market Maker Program, the Exchange reserves the right to disqualify resulting unidentified Transactions.
- B.6A.7 The Exchange may withdraw any of its Market Maker Programs at any time. The Exchange shall be entitled to terminate any Market Maker's participation in a Market Maker Program on notice at its sole discretion. A Market Maker may terminate its participation in a Market Maker Program upon one month's written notice.
- B.6A.8 The benefits receivable under Market Maker Programs shall comprise rebates of transaction costs payable by the Market Maker to the Exchange and/or the Clearing House as a result of trading in a Designated Product, and/or other benefits as determined by the Exchange (collectively, "**Market Maker Benefits**"). The Market Maker shall not:
- (a) cause any detriment to clients of the Market Maker Program participants; or
  - (b) affect or distort the proper market in a Designated Product.

No Market Maker Program shall affect the margin applicable to any Product cleared by the Clearing House.

The Market Maker shall not enter into any transaction on the Exchange or with the Clearing House or another Market Maker Program participant, other than for proper trading purposes (which may include, but are not limited to, hedging, investment, speculation, price determination, arbitrage and filling client orders from any client for whom the Market Maker acts).

### **Confidentiality and Publicity**

B.6A.9 The Exchange may publish details of any Market Maker Program and name its participants from time to time. The Market Maker shall not disclose the terms of any Market Maker agreement, provided that the Market Maker may disclose details of the terms of any Market Maker agreement to a Regulatory Authority or in accordance with Applicable Law or Rule B.6A.10. In the case of the Exchange, confidential information held by it in relation to the Market Maker Program shall be treated in accordance with Rule A.4.

B.6A.10 The Market Maker shall, to the extent required by Applicable Law, inform its clients of its participation in each Market Maker Program and such details of the Market Maker Program as are advisable to be disclosed. The Market Maker (and not the Exchange) shall be responsible for any other disclosure required to be made to clients of the Market Maker, in relation to the Market Maker Program or any other risks or conflicts of interest that may arise from time to time pursuant thereto.

### **Fees**

B.6A.11 The Exchange shall, at its sole discretion, determine Market Maker Benefits, including the Transaction Fee Amount and the Termination Fee Amount payable to Market Makers.

B.6A.12 Subject to Rule B.6A.13, Market Maker Benefits in respect of Transactions in a particular calendar month shall be paid to the Market Maker within 30 days of the end of the calendar month in which the relevant Transaction Fees are received by the Exchange, provided that, in the relevant calendar month, the Market Maker complies with the relevant Market Maker Commitments.

B.6A.13 If the Market Makers ceases to participate in a Market Maker Program under Rule B.6A.7, then provided that the Market Maker has complied with the relevant Market Maker Commitments:

- (a) a Termination Fee Amount shall be payable to the Market Maker on the Trading Days in the relevant calendar month prior to the date on which the termination is effective; and
- (b) any Market Maker Benefit which does not comprise a rebate of transaction costs, and which therefore is excluded from the Termination Fee Amount, shall be subject to payment on a pro-rata basis.

### **Payment**

B.6A.14 Where a Market Maker Program relates to a service for which only Exchange rebates, fee discounts or incentive payments are applicable, the payer of the rebate, fee discount or incentive fee under the Market Maker Program is the Exchange and the payee is the Market Maker, regardless of whether such person is or is not an Exchange Member. Where a Market Maker Program relates to a service for which both trading and clearing rebates, fee, discounts or incentive payments are applicable, the payer under the Market Maker Program is the Clearing House as to the total amount of the trading and clearing rebates, fee discounts or incentive payments multiplied by the percentage that clearing rebates, fee discounts or incentive payments represent of the total sum of clearing and trading rebates, fee payments and incentive payments. The Exchange will be the payer of the remainder of the rebate, fee discount or incentive payment.

B.6A.15 The Exchange may arrange for the Clearing House to make any payment in respect of the Market Maker Program on the payer's behalf. The Market Maker may direct that payments be made directly to its account or to the account of a relevant Member or Clearing Member, as appropriate. Any payment in accordance with such instructions shall constitute due and final payment by the Exchange to the account of the Market Maker. The Market Maker may direct changes to such payment arrangements from time to time by providing written notice to the Exchange.

B.6A.16 In the absence of any payment instructions, the Exchange shall be entitled (but shall not be required) to make payment in respect of any payment under a Market Maker Program by crediting amounts to the proprietary account or customer account of the relevant Member or Clearing Member and in doing so, shall have discharged its obligations in relation to the relevant Market Maker Program payment.

#### **General**

B.6A.17 Terms, conditions, rebates, fee discounts and incentive payments may be varied, amended, modified, extended or supplemented by the Exchange at its sole discretion, from time to time, by notice to a Market Maker or by Circular.

### **B.7 SUSPENSION AND EXPULSION**

B.7.1 Without prejudice to Rule B.1.7, the Exchange may, upon the recommendation of a Disciplinary Panel under Rule E.4.11 or in the exercise of any other power conferred on the Exchange by the Rules:

- (a) expel a Member from membership of the Exchange (or any part of the Market) or, in the case of other Persons Subject to the Rules, permanently remove their right to access the ICE Platform; or
- (b) in the case of a Member, suspend any or all of the membership permissions of the Member including its permission to trade on the ICE Platform (or any part of it), to accept allocation of any Contracts made on the ICE Platform by another Member and to clear Contracts made on the ICE Platform (as applicable) (or any one or more of such permissions) for such term as the Exchange may determine.

The Exchange may give the Person Subject to the Rules a brief account of reasons for their action, and shall promptly do so at his request.

B.7.2 If a Member fails to satisfy the requirements of Rule B.3 or fails to comply with the terms of the Electronic User Agreement, the Exchange may suspend any or all membership permissions of that Member including its permission to trade on the Market (or any part of it), to accept allocation of any Contracts made on the Market by another Member and to clear Contracts (as applicable) (or any one or more of such permissions) for such term as the Exchange may determine. Without prejudice to the generality of the foregoing, the Exchange may permit a Member to continue to exercise any or all of its permissions to clear Contracts for such period and on such terms (including, but not limited to, any agreement to be bound by the Rules) as the Exchange may in their discretion think fit.

B.7.3 If an Insolvency occurs in respect of a Member then its membership permissions (including trading permissions and its permission to accept allocation of any Contracts made on the Market by another Member and to clear Contracts (as applicable)) may be suspended at the discretion of the Exchange as from the time of such occurrence, save that where the Member is Declared a Defaulter under and within the meaning of Section D, its membership shall continue until the completion of Default Proceedings (within the meaning of Section D). The suspension shall continue until the Member has settled with all its creditors to the satisfaction of the Exchange, or complied with Applicable Law, as the case may be.

B.7.4 A Member whose permissions are suspended shall remain liable in respect of all its obligations of membership including, without limitation, its obligation to pay an annual subscription or any other fees, levies or charges in respect of the relevant category of membership and its obligations in respect of any steps taken with regard to him under Section D. A Member whose trading permissions have been suspended under Rule B.7.3 shall not, during the period of such suspension, be entitled to clear new Contracts, subject to any contrary determination under Section D.

B.7.5 Subject to any applicable provision of Section D, the expulsion of a Member or the suspension of any or all of its permissions shall not affect the right of any party to pursue either a matter or dispute which has been referred to a Delivery Panel under Rule I.20 or to arbitration under Section H in respect of any Contract entered into by the Member.

B.7.6 Upon the, expulsion of a Member taking effect it shall cease to have any rights of membership of the Exchange, including any trading permissions.

- B.7.7 Where, upon the suspension of a Member's rights of membership (including its permission to trade on the Market, to accept allocation of any Contracts made on the Market by another Member and to clear Contracts (as applicable) (or any one or more of such permissions)) under Rule B.7.3, the Member is not Declared a Defaulter under and within the meaning of Section D, any other Member holding open positions on the Market on its behalf shall be entitled to close the same without prior notice. Where, upon the suspension of a Member's permissions under Rule B.7.3, the Member is Declared a Defaulter under and within the meaning of Section D, any other Member holding on its behalf an open position on the Market which is not discharged under Section D may, upon the completion of Default Proceedings (within the meaning of Section D) in respect of the suspended Member, close such open position without prior notice.
- B.7.8 Upon the expulsion of a Member or the suspension of its trading permissions and/or its permission to accept the allocation of any Contracts made on the Market by another Member and/or (if applicable) its entitlement to clear Contracts taking effect, the Exchange shall give notice of the expulsion or suspension to all Members and to the Clearing House.

**B.8 RECONSIDERATION AND APPEAL**

- B.8.1 If the Exchange refuses an application for membership or refuses to approve a change in business particulars notified to the Exchange under Rule B.5.1A, impose sanctions on a Member under Rule B.1.2, make a decision under Rule B.1.6 in respect of status, rights or obligations of a Member or suspend a Member's permission to trade for more than seven days or expel a Member (other than pursuant to a recommendation made by a Disciplinary Panel under Rule E.4.11), the applicant or Member may, within fourteen days of receiving notice of such decision, request the board of Directors of the Exchange in writing to reconsider the matter. The applicant or Member may make such representations and supply such information as it may consider relevant. No request or representation may be made under this Rule in respect of any determination made or step taken under Section D.
- B.8.2 The Exchange shall within 28 days of receiving the applicant or Member's written request for reconsideration consider any representations and information placed before them and shall confirm, amend or revoke the decision in respect of which the request has been received. The Exchange shall forthwith notify the applicant or Member of the outcome.
- B.8.3 Within fourteen days of receiving such notice from the Exchange, the applicant or Member may serve notice on the Exchange of its intention to appeal against the Exchange's determination. With such notice it shall lodge with the Exchange the sum of SGD 5,000 towards the costs of the appeal, which sum shall be returned to the applicant or Member if its appeal is successful.
- B.8.4 The appeal will be to an Appeals Panel appointed in accordance with the provisions of Rule E.4.14.
- B.8.5 The Appeals Panel may adopt such procedures as it deems appropriate in hearing the appeal but shall give both the appellant and the Exchange reasonable opportunity to make representations to it. The Appeals Panel may as it thinks fit either confine the appeal to a review of the Exchange's determination or hear the matter afresh. It shall have the power to order costs to be paid by either party.
- B.8.6 The Appeals Panel shall notify its award, with reasons, to the Exchange and to the appellant. The Exchange shall, within 28 days, serve notice on the appellant confirming, amending or revoking their decision accordingly.

**B.9 [NOT USED.]****B.10 CLEARING ACTIVITIES**

- B.10.1 Only certain categories of membership are eligible to be Clearing Members for the purposes of the Rules in relation to the ICE Platform, on the basis set out below:
- (a) Trade Participants may elect to be: (i) Clearing Members for the purpose of clearing Own Business (subject to them having the relevant permissions from the Clearing House); or (ii) non-clearing Members, in which case they must have in place a Clearing Agreement with a General Participant acting as a Clearing Member.

- (b) General Participants may elect to be: (i) Clearing Members for the purpose of clearing Own Business and/or client business (subject to them having the relevant permissions from the Clearing House); or (ii) non-clearing Members, in which case they must have in place a Clearing Agreement with a General Participant that is a Clearing Member.
- (c) [Not used.]
- (d) [Not used.]
- (e) ICE Block Members may not be Clearing Members and must have in place a Clearing Agreement with a General Participant or ensure that their clients have in place a clearing arrangement with a Clearing Member, as appropriate.

B.10.2 [Not used.]

B.10.3 A Member shall forthwith notify the Exchange upon becoming or ceasing to be a Clearing Member, or upon any of its clients changing its Clearing Member.

B.10.4 Without prejudice to Rule D.6.2, a Member shall notify the Exchange forthwith upon any change in particulars which it has notified under Rule B.10.3, and shall give brief reasons for the change.

### **B.11 RESPONSIBLE INDIVIDUALS**

B.11.1 A Member shall not enter orders into or make trades on the ICE Platform except through a Responsible Individual registered with the Exchange pursuant to the Trading Procedures. At least one individual shall be registered by a Member as a Responsible Individual pursuant to Trading Procedure 14.

B.11.2 A Member must ensure it has a sufficient number of Responsible Individuals for the nature and scale of business being conducted.

B.11.3 [Not used.]

B.11.4 [Not used.]

B.11.5 [Not used.]

#### **Exchange jurisdiction following suspension of registration of Responsible Individual**

B.11.6 A Responsible Individual whose registration is suspended by the Exchange under the Rules shall remain subject to the Rules and to the jurisdiction of the Exchange under the Rules in respect of acts and omissions of the individual while he was registered as a Responsible Individual, and in respect of any investigation or disciplinary proceedings relating thereto, whether commenced before or after his suspension, (including the payment of any fine or application of any other sanction imposed) as if he were still registered, for the longer of:

- (a) the period of 12 months from the date on which the registration was suspended; or
- (b) the period during which disciplinary proceedings continue against him, being proceedings started by the Exchange no later than 12 months after the date on which his registration was suspended, subject to any extension of the period under Rule B.11.8 below.

B.11.7 Disciplinary proceedings commenced following suspension of a Responsible Individual's registration may be commenced by giving notice of an investigation to that individual no later than 12 months after the date on which his registration was suspended.

B.11.8 In the event that a Disciplinary Panel concludes that there are, or may be, additional matters which should be investigated and in respect of which disciplinary proceedings may be taken, the period referred to in Rule B.11.7 shall be extended until such time as such additional disciplinary proceedings are completed (including the payment of any fine or application of any other sanction imposed).

#### **Exchange jurisdiction following de-registration of Responsible Individual**

- B.11.9 A Member may terminate the registration of a Responsible Individual by giving to the Exchange notice in writing of its intention to de-register the Responsible Individual with effect from the date specified in the notice.
- B.11.10 A Responsible Individual who is de-registered shall remain subject to the Rules and to the jurisdiction of the Exchange in respect of acts and omissions of the individual while he was registered as a Responsible Individual, and in respect of any investigation or disciplinary proceedings relating thereto (including the payment of any fine or application of any other sanction imposed) as if he were still registered, for the longer of:
- (a) the period of 12 months from the date on which the de-registration became effective; or
  - (b) the period during which disciplinary proceedings continue against him, being proceedings started by the Exchange no later than 12 months after the date on which his de-registration became effective, subject to any extension of the period under Rule B.11.12 below.
- B.11.11 Disciplinary proceedings commenced following a Responsible Individual's de-registration may be commenced by giving notice of an investigation to that individual no later than 12 months after the date on which the de-registration became effective.
- B.11.12 In the event that a Disciplinary Panel concludes that there are, or may be, additional matters which should be investigated and in respect of which disciplinary proceedings may be taken, the period referred to in Rule B.11.11 shall be extended until such time as such additional disciplinary proceedings are completed (including the payment of any fine or application of any other sanction imposed).
- B.12 [NOT USED.]**

### SECTION C - COMPLIANCE

- C.1 Reporting Requirements: Authorisation
- C.2 Reporting Requirements: Supplementary
- C.3 [Not used.]
- C.4 Accuracy of Information
- C.5 Advertisements
- C.6 Opening of Accounts
- C.7 Particular Kinds of Client
- C.8 Records of Complaints
- C.9 Investigation of Complaints
- C.10 Authorisation, Rules and Conduct Committee
- C.11 [Not used.]
- C.12 Inspections and Enquiries
- C.13 Delivery Panel
- C.14 Interviews
- C.15 Independent Complaints Commissioner
- C.17 Fidelity Fund

**C.1 REPORTING REQUIREMENTS: AUTHORISATION**

- (a) All Members who intend to trade on the Market shall obtain and maintain Authorisation to trade in Futures/or Options and any other investment or product which is traded on the Exchange. All Members who intend to trade on the Market shall obtain and maintain Authorisation for all Member's Representatives to ensure compliance with the SFA and any other Applicable Law.
- (b) Where a Member's (or any of its Member's Representative's) Authorisation is derived from reliance upon an exemption or exclusion from the requirement for Authorisation which is permitted pursuant to the SFA and MAS Requirements or other Applicable Law, the Member is fully responsible for ensuring that the relevant exemption/exclusion is available and sufficient for its activities. Such a Member must also have regard to and comply with any guidance issued by the Exchange from time to time regarding the availability of exemptions/exclusions for trading activities through the Exchange.
- (c) Every Member shall from time to time give written notice to the Exchange as to:
  - (i) where such Member's (or any of its Member's Representative's) Authorisation consists of reliance upon an exemption or exclusion set out in MAS Requirements or Applicable Law, that fact, and the nature of such exemption or exclusion;
  - (ii) where such Member's Authorisation consists of a CMS Licence, details of such licence and any applicable conditions imposed by the MAS;
  - (iii) details of any other Authorisations the Member (or any of its Member's Representative's) has or relies upon to conduct their business in connection with the Exchange (including any business registration requirement under the Companies Act 1967).

Such notice shall be given not less than once in every year on or around a date agreed in advance with the Exchange and, in addition, forthwith upon any change in the particulars last notified. Notices shall be in such form as the Exchange may from time to time prescribe and shall, where required, be certified by a firm of auditors, solicitors or some other person acceptable to the Exchange.

**C.2 REPORTING REQUIREMENTS: SUPPLEMENTARY**

- (a) Every Member shall also furnish to the Exchange such information; documents; records or data concerning its:
  - (i) relationship or dealings with its main (or any other) regulator in Singapore or other jurisdiction; and
  - (ii) activity on the ICE Platform which shall include any order, transaction and position information,at such times and in such manner as may from time to time be prescribed by the Exchange.
- (b) The Exchange may modify the operation of this Rule and make different directions in relation to different categories of Member and may make such directions generally or in relation to particular Members or particular occasions and in all cases subject to such conditions as they may think fit.

**C.3 [NOT USED.]****C.4 ACCURACY OF INFORMATION**

All Members shall ensure that to the best of their ability, all information and documents from time to time given to the Exchange or to the Clearing House are complete, fair and accurate.

**C.5 ADVERTISEMENTS**

All advertising material issued by or on behalf of Members concerning the membership of the Exchange, Products available for trading on the Exchange or on the terms of the Rules or otherwise using the Exchange's name or in relation to matters of concern to the Exchange shall conform to such guidelines as may from time to time be published by the Exchange.

**C.6 OPENING OF ACCOUNTS**

C.6.1 A Member shall not open an account for the trading of Products or entering into a Contract or Corresponding Contract or accept an order to enter into a Contract or Corresponding Contract for the account of a client unless the Member has (subject to such exceptions as may be prescribed) entered into a written agreement with the client containing such terms as may from time to time be prescribed in the Rules or in directions given pursuant to this Rule by the Exchange. Without prejudice to any terms which may from time to time be so prescribed, a Member shall ensure that its written agreement with each client:

- (a) imports into every Corresponding Contract made with the client all the terms of the Rules insofar as they are applicable; and
- (b) with regard to business done with the client, enables the Member to perform all Contracts and Corresponding Contracts to which the Member is party from time to time and to comply with all requirements of the Rules (and arrangements, provisions and directions given thereunder) including, without limitation, requirements relating to disclosure and emergencies.

C.6.2 (a) Subject to paragraph (b) below, a Member shall not enter into any Corresponding Contract with a client for a delivery month or delivery day capable of being traded on the Market at the date the Corresponding Contract is entered into and represent (in whatever form) to the client that it has entered into an "ICE Futures Singapore Contract" (however expressed) for such client unless a Contract is made on the Market by it in respect of and in the terms of the same Contract Terms as the Corresponding Contract to be made with the client or the Member has procured the entry into of a Contract on the Market through another Member. The Member shall ensure that if it is the buyer opposite its client under the terms of the Corresponding Contract entered into with its client otherwise than on the Market, it (or its Clearing Member as applicable) or such Member executing the same shall be the Seller under the terms of the relevant Contract and *vice versa*. Subject to paragraph (c) below, such Corresponding Contract made with the client shall be at the same price as the price at which the relevant Contract was made.

(b) Paragraph (a) above shall not apply to a Contract or Corresponding Contract made under Section D.

(c) Where a Member has executed for a client on the same day one or more orders (either buy or sell but not together) for the same Product and Contract Month (and in the case of Option Contracts the same strike price and either calls or puts, but not both together), the Corresponding Contracts made with the client referred to in paragraph (a) above may be reported to the client at an average price provided that:

- (i) there is a written agreement between the client and the Member with whom the client has an account which, where rounding of the average price is used, includes the method of rounding, the number of decimal places to which the reported average price will be rounded, and the method of distribution or collection of the cash residual.

The cash residual shall be the difference between the rounded average price and the actual average price multiplied by the number of lots making up the order for the average price;

- (ii) the formula used by the Member to calculate the average price before any rounding occurs is the trade weighted average set out in Trading Procedure 2.4.19 (a), (b), (c) and (d);

- (iii) upon request by the client or the Exchange, a Member shall provide the prices and volumes of any trades that constitute an average price reported by the Member; and
- (iv) such reporting is permitted under Applicable Laws.

C.6.3 A Member shall give a written confirmation to its client recording the terms of any Contract or Corresponding Contract made with or for that client.

#### C.7 PARTICULAR KINDS OF CLIENT

- (a) In respect of Futures and Options business to be done on the Market or otherwise subject to the Rules, no Member may have as a client a person who is a director, employee, representative or otherwise associated (otherwise than as a client) with another Member, unless that Member consents in writing.
- (b) Any Member's Representative shall not trade either directly or through another Member for any account in which he is interested (either directly as the client or indirectly insofar as he is entitled to share in the profits of such account or is connected with the client or otherwise) save in accordance with the following procedure:
  - (i) all transactions must be separately recorded and identified in the accounting records of the Member;
  - (ii) the individual must have approval to trade for his personal account from his Member firm and must be party to an appropriate written agreement with his Member firm to govern the arrangements (including applicable regulatory and risk obligations) for this activity prior to any such trading commencing;
  - (iii) transactions must be cleared and margined as for any other client transaction;
  - (iv) transactions must be monitored by senior management of the Member for whom the individual is a Member's Representative. Such senior management shall be independent of the individual concerned and shall maintain procedures to ensure that such trading is not prejudicial to the interests of the Member's other clients.
- (c) Within seven business days of the date of approval to trade pursuant to Rule C.7(b)(ii), the Member must provide to the Exchange details of the approved individual and the house or client account number to which trades transacted by that individual will be assigned. Any changes in these account numbers must also be advised to the Exchange within seven business days of them becoming effective.

#### C.8 RECORDS OF COMPLAINTS

- (a) All Members shall retain for at least five years all written complaints in relation to their business in connection with the Exchange.
- (b) They shall ensure that all such complaints are promptly, thoroughly and fairly investigated and that the complainant is informed in writing of the outcome. All serious complaints shall be investigated by a suitably senior Member's Representative who has no personal interest in the subject matter.
- (c) They shall also compile and keep a register showing details of the date of receipt of all such complaints, the client, the account executive, the matter complained of and any action taken by the Member.
- (d) This register shall be open to inspection by the Exchange upon demand.

#### C.9 INVESTIGATION OF COMPLAINTS

C.9.1 The Exchange shall consider all complaints made to it in writing save that if it considers that it would be appropriate to do so, it may refer the matter to another regulatory body pursuant to Rule A.3.

- C.9.2 In the case of a complaint which, if substantiated, might constitute a breach of the Exchange's Rules, the Exchange may (subject to its power to refer the matter complained of pursuant to Rule A.3.1) authorise an immediate investigation or write to the Member or other person complained of (and any Member with whom such person was associated at the time of the matter complained of) requesting its or his comments or explanation or take such other or further steps (if any) as may be thought appropriate including the commencement of an investigation or disciplinary proceedings.
- C.9.3 The Exchange may inform the complainant in writing of any steps taken as a result of his complaint and of the result thereof.
- C.9.4 In the event of a complaint against the Exchange or any of its Directors, officers, employees, committees or panels (or any individual committee or panel member) (or agents in their capacity as such), such complaint shall be made and investigated in accordance with the Complaint Resolution Procedure issued by the Exchange from time to time.

#### **C.10 AUTHORISATION, RULES AND CONDUCT COMMITTEE**

- C.10.1 There shall be an Authorisation, Rules and Conduct Committee appointed by the Exchange pursuant to Terms of Reference adopted by the Exchange.
- C.10.2 The ARC Committee shall be responsible for promotion of good regulatory practices. Without derogating from this, the ARC Committee shall have such powers as the Rules may from time to time provide including, without limitation, those powers mentioned in Section E.
- C.10.3 For the avoidance of doubt, the ARC Committee is a committee of the Exchange and has no executive powers independent of the Exchange. Accordingly, any reference in these Rules or the ICE Futures Contract Terms and Procedures to the ARC Committee shall be construed as being a reference to the Exchange acting by the ARC Committee, and any reference to a power of the ARC Committee shall be construed as being a power of the Exchange.

#### **C.11 [NOT USED.]**

#### **C.12 INSPECTIONS AND ENQUIRIES**

- C.12.1 Routine inspections and enquiries may be authorised by the Exchange who may itself carry out such inspections or make such enquiries, or authorise some other person or persons (including another exchange) to do so with it or on its behalf.
- C.12.2 In carrying out such inspection or enquiry, the Exchange shall have the same powers as an investigation panel would have under Rules E.3.3, E.3.4 and E.3.5 in respect of an investigation. Members (and other Persons Subject to the Rules) shall co-operate fully with all routine inspections and enquiries.
- C.12.3 If, in the course of such routine inspection or enquiry, the Exchange forms the provisional conclusion that there has been a breach of the Rules (or any arrangement, procedure or direction made, authorised or given thereunder), it may in an appropriate case deal with the matter itself and/or shall furnish to the chairman of the ARC Committee a report in writing of any action taken. Alternatively the Exchange shall report its provisional conclusion to the chairman of the ARC Committee which may itself make further enquiries. Unless otherwise directed, the Exchange shall forthwith inform the Member concerned or other person the subject of the inspection or enquiry, of his provisional conclusion and of the grounds thereof, and shall invite his comments or observations either orally or in writing.
- C.12.4 Subject to any direction as aforesaid, the Exchange shall continue its inspection or enquiry and on completion thereof it shall make a report in writing to the ARC Committee setting out its final conclusion, and making such recommendation as it considers appropriate. The ARC Committee shall consider such report, and shall then take one or more of the steps mentioned in Rule E.3.8.
- C.12.5 Any failure by the Exchange to comply with the above procedures or any of them shall not invalidate its conclusions or any steps taken in consequence thereof.

C.12.6 The provisions of Rules C.12.2, C.12.3 and C.12.4 shall be without prejudice to the rights of the Exchange under Rule D.7.2. Rules C.12.3 and C.12.4 shall not apply to any enquiry or inspection in respect of a Defaulter made under and within the meaning of Section D.

C.12.7 The provisions of the Rules in C.12 shall be without prejudice to the provisions of the Electronic User Agreement.

### **C.13 DELIVERY PANEL**

C.13.1 The Exchange shall be entitled to establish a Delivery Panel from time to time for the purposes of dealing with late performance, non-performance, disputes and other matters related to deliveries, as set out in the ICE Futures Contract Terms and Procedures.

C.13.2 The Delivery Panel shall have such powers as the Rules and the ICE Futures Contract Terms and Procedures may from time to time provide, or such powers as the Exchange may confer.

### **C.14 INTERVIEWS**

If a person is formally summoned to an interview with the Exchange personnel, that person must attend the interview on pain of a fine for SGD 2,000 per day of non-attendance and possible exclusion from the Market until they take reasonable steps to make themselves available on an alternative date. Every letter from the Exchange advising of the interview shall indicate the penalty in order for it to apply.

### **C.15 INDEPENDENT COMPLAINTS COMMISSIONER**

The Exchange shall appoint a person to the office of Independent Complaints Commissioner for such term, at such remuneration and on such other conditions as they think fit. The Exchange shall be entitled to remove from office any Independent Complaints Commissioner.

The Independent Complaints Commissioner shall have such powers as the Complaint Resolution Procedure may from time to time provide.

### **C.16 FIDELITY FUND**

C.16.1 For the purposes of this Rule C.16, "Member" shall mean a Member who has a CMS Licence.

C.16.2 The Exchange shall, in accordance with Applicable Laws, maintain a fidelity fund to:

- (a) compensate any person (other than an accredited investor as defined in the SFA) who suffers financial loss through the Defalcation committed, by a Member or Member's Representatives, in respect of any money or other assets that was entrusted or received by the Member or Member's Representatives for or on behalf of such person or by reason that the Member was a trustee of the money or other assets; or
- (b) pay to a Member's Insolvency Practitioner to make up or reduce the total deficiency arising because the available assets of the Member are insufficient to satisfy any debts arising from such Member's trading on the Exchange that have been proved in the Insolvency of the Member.

C.16.3 "Defalcation" for the purposes of this Rule C.16 refers to the misapplication, including any misappropriation, of any assets as contemplated under the SFA.

C.16.4 All Members shall contribute to the fund in such manner and at such times as the Exchange may, having regard to the provisions of the SFA, determine from time to time and notify by way of Circular.

C.16.5 Any person claiming compensation from the fund under this Rule shall act in accordance with the provisions of the SFA and the procedures determined by the Exchange and produce such documents in support of their claim as may be required by the Exchange.

**SECTION D - DEFAULT**

|      |                                |
|------|--------------------------------|
| D.0  | Definitions and Interpretation |
| D.1  | General                        |
| D.2  | [Not used.]                    |
| D.3  | Events of Default              |
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**D.0 DEFINITIONS AND INTERPRETATION**

In this Section D, the following words and expressions shall, unless the context otherwise requires, have the following meanings:

| <b>TERM</b>                        | <b>DEFINITION</b>  |
|------------------------------------|--|
| <b>"Closing-out Contract"</b>      | means a Market Contract effected under the Rules or under the Clearing House Rules, being a contract on the same terms as an Unsettled Market Contract to which a Defaulter is party save as to the price or premium and save that where the Defaulter is a Seller under the terms of the Unsettled Market Contract, the Defaulter shall be a Buyer under the terms of the Closing-out Contract and <i>vice versa</i> and references to "Closing-out" shall be construed accordingly;  |
| <b>"Counterparty"</b>              | in relation to a Defaulter, means a person (other than the Clearing House) party as principal to a Market Contract to which the Defaulter is party;  |
| <b>"Declared a Defaulter"</b>      | in relation to a Member, means being declared a defaulter by the Exchange under Rule D.4.1 or Rule D.4.2;  |
| <b>"Defaulter"</b>                 | means a person who has been Declared a Defaulter;  |
| <b>"Default Panel"</b>             | means a panel from time to time appointed by the Exchange to fulfil the function ascribed to such panel in this Section D;   |
| <b>"Default Proceedings"</b>       | means proceedings taken by the Exchange under this Section D;  |
| <b>"Event of Default"</b>          | has the meaning ascribed to it in Rule D.3.1;  |
| <b>"Lot"</b>                       | in respect of a Contract, has the meaning given in the relevant Contract Terms;  |
| <b>"Market Contract"</b>           | means any Contract or Corresponding Contract, excluding a Contract or Corresponding Contract in respect of which the parties have agreed to make and take delivery of a product of a specification other than that provided for, or in a manner or at a place or in terms other than those specified, in the relevant Contract Terms. For the purposes of this Section D, where any "Market Contract" is for more than one Lot there shall be deemed to be a separate Contract in respect of each Lot and the term "Market Contract" shall be construed accordingly; |
| <b>"Segregated Client"</b>         | means a person whose assets, if and when received by a Member as collateral in respect of a Contract, is or would be client money or client assets for the purposes of MAS Requirements;   |
| <b>"Unsettled Market Contract"</b> | means a Market Contract in respect of which the rights and liabilities of the parties thereto have not been discharged whether by performance, compromise or otherwise.  |

**D.1 GENERAL**

- D.1.1 Subject to Rule D.1.2, this Section D is without prejudice to, but in the case of any conflict take precedence over, any other provision of the Rules and the terms of any other agreement which apply to a Market Contract.
- D.1.2 All Contracts to which the Clearing House is central counterparty and the Defaulter is party under the Clearing House Rules shall be dealt with in accordance with the Clearing House Rules, which shall have priority over this Section D.

**D.2 [NOT USED.]****D.3 EVENTS OF DEFAULT**

D.3.1 An "Event of Default" shall occur in relation to a Member if the Exchange determines that the Member is or appears to be unable or likely to become unable to meet its obligations under one or more Market Contracts. Without prejudice to the generality of the foregoing, in making such determination, the Exchange may take any one or more of the following events or circumstances as sufficient grounds for determining that a Member is or appears to be unable or likely to become unable to meet his obligations under one or more Market Contracts:

- (a) failure by a Member duly to perform or comply with any obligation to make payment or make or accept delivery under the terms of a Market Contract;
- (b) failure by a Member to comply with any other obligation under a Market Contract or to satisfy any liability to provide margin;
- (c) an Insolvency occurring in respect of a Member;
- (d) a Member taking any corporate action or other step to authorise, institute or commence any of the actions referred to in (c) above;
- (e) any execution, distress, sequestration, attachment or other process being levied or enforced against a Member against any substantial part of its revenues and assets and not being discharged within seven days of being so levied or enforced;
- (f) a Member being refused an application for or being suspended or expelled from membership of a regulatory body or being in breach of the rules as to the financial requirements of membership of a regulatory body or a regulatory body taking or threatening to take any action in relation to the Member under Applicable Law, including the SFA or MAS Requirements or taking or threatening to exercise its powers under the Rules to restrict or prohibit the Member from entering into transactions or carrying on its business or dealing with its assets;
- (g) any Authorisation or other authorisation necessary to carry on its business in the normal course being revoked, withheld or materially modified or failing to be granted or perfected or ceasing to remain in full force and effect;
- (h) a Member failing to satisfy the Exchange at any time that it meets any minimum net worth or other financial requirement for membership from time to time stipulated by the Exchange, included as set out in the Membership Procedures as applicable;
- (i) a Member being or being declared in default under the default rules of any exchange or clearing house or being declared in breach of the rules as to the financial requirements of membership of, or being refused membership of, or suspended or expelled from membership of, any exchange or clearing house;
- (j) a Member, being a partnership, being dissolved; or
- (k) any event that could be an Event of Default under the Clearing House Rules (regardless of whether the Member is a Clearing Member).

D.3.2 An event or circumstance referred to in Rule D.3.1 shall, without limitation, be deemed to have occurred in relation to a Member being an unincorporated association or partnership if it occurs in relation to a person comprised in such unincorporated association or partnership.

**D.4 DECLARATION OF DEFAULT**

D.4.1 Subject to Rule D.4.2, upon the occurrence of an Event of Default or at any time thereafter, if the Exchange, in its absolute discretion, considers that action should be taken under this Section D with respect to such Member the Exchange shall declare such Member to be a Defaulter by means of a Circular.

- D.4.2 The Exchange may be directed by the MAS pursuant to Applicable Law to take action or not to take action (including not to take action under Rule D.4.1) or to take specified steps under this Section D.
- D.4.3 Subject to Rule A.4, the Exchange may consult with the Clearing House or any exchange or clearing house or any regulated market or central counterparty or Governmental Authority or any other relevant person before or at any time after taking action under this Section D in relation to a Defaulter.
- D.4.4 A Member who is Declared a Defaulter shall not enter into any Contract or Corresponding Contract (including, for the avoidance of doubt, a Closing-out Contract) with any person, and a Clearing Member or non-clearing Member shall not enter into any such Contract or Corresponding Contract with a Defaulter, after the time that it is Declared a Defaulter, (notwithstanding any order or instruction to do so given by a person other than the Default Panel) save in accordance with the Clearing House Rules.

**D.5 DEFAULT PROCEEDINGS**

- D.5.1 If a dispute arises as to whether a Contract has been made or as to whether a contract is a Market Contract, the Exchange may direct that the parties to the dispute refer the dispute to arbitration in accordance with Section H or appeal against any award made in relation thereto or (where it is permissible to do so) commence court proceedings or otherwise apply to the court in respect thereof, within such time limit as the Exchange may direct for the purpose (but without prejudice to any shorter limitation period applicable by virtue of the terms of the Market Contract, Section D or otherwise) and promptly send to the Exchange a copy of any document commencing arbitration proceedings or other process or appeal, failing which both parties shall be deemed to have waived their rights in respect thereof (subject always to any contrary provision of the SFA) whereupon the Exchange shall determine the issue on such evidence (if any) as it may in its absolute discretion require. The Exchange may make such further procedural directions as it thinks fit for the purposes of this Rule.
- D.5.2 The Default Panel shall have the power to determine whether a contract is a Market Contract or whether a Market Contract is an Unsettled Market Contract for the purposes of exercising the powers of the Exchange under this Section D. Any dispute between the Defaulter, or a person party to a contract with the Defaulter, and the Default Panel as to whether a contract is a Market Contract shall be referred to the Exchange for final determination and the Exchange shall determine the issue on such evidence as may be presented to them. The decision of the Exchange shall be final, conclusive and binding.
- D.5.3 Subject to Rule D.5.1, no person may refer to arbitration under Section H any dispute arising as to whether a contract is a Market Contract or a Market Contract is an Unsettled Market Contract, or any dispute, claim or matter arising out of or in connection with any step taken under this Section D.

**D.6 NOTIFICATION**

- D.6.1 As soon as reasonably practicable after a Member has been Declared a Defaulter, the Exchange will issue a Circular stating that the relevant Member is a Defaulter and may take such steps as it may in its absolute discretion consider appropriate in order that:
- (a) Counterparties to Unsettled Market Contracts with the Defaulter, persons party to a Market Contract as agent for the Counterparty and such other persons as it thinks fit, are notified that a Member has been Declared a Defaulter;
  - (b) Counterparties to Unsettled Market Contracts with the Defaulter are notified of any decision taken under this Section D with respect to such Market Contracts to which they are party;
  - (c) if the Defaulter is party to a Market Contract as agent, (notwithstanding any prohibition on this in the Rules) its principal is notified that a default has occurred and the identity of the Counterparty to such Market Contract; and
  - (d) the Defaulter ceases to have access to the Trading Facilities and its membership is suspended.
- D.6.2 A Member shall forthwith give notice to the Exchange of the occurrence of any event or circumstances referred to in Rule D.3.1(c) to (k) inclusive in relation to the Member.

- D.6.3 The Defaulter and, where applicable, a Member party to a Market Contract or an alleged Market Contract with a Defaulter shall forthwith give notice to the Exchange of any dispute, claim or matter which it is proposed will be referred to arbitration under Section H or to the Exchange for resolution in accordance with Rule D.5.1.

**D.7 PROCEDURES**

- D.7.1 The Exchange may from time to time prescribe procedures for the purposes of this Section D and to provide for the manner in which its rights or obligations under the SFA in relation to such Rules or Default Proceedings may be exercised by or on behalf of the Exchange.

- D.7.2 For the purposes of exercising its powers or fulfilling its obligations under this Section D or exercising its rights or fulfilling its obligations under the SFA in relation to such Rules, the Exchange shall have the right at all times through its employees or agents, without giving prior notice, to enter into any premises in which a Member carries on its business or maintains his records to examine and remove or take copies of or extracts from the trading, accounting, computer and other records of the Member and to operate any accounting or computing systems of the Member and to reproduce data to which the Exchange has access, for the purpose of obtaining the names and addresses of all Counterparties, details of all Unsettled Market Contracts entered into by the Member, details of money and other property held for the account of Segregated Clients and any other information which the Exchange considers to be necessary or desirable for the purpose of implementing this Section D.

- D.7.3 The Defaulter and each Member shall co-operate, and shall procure that its Member's Representatives shall co-operate, fully at all times with the Exchange and shall promptly provide such information as the Exchange or its employees or agents may request in connection with the implementation by the Exchange of this Section D or the exercise by it of its powers or the fulfilment by it of its obligations under the SFA in respect of such Rules including, without prejudice to the generality of the foregoing, information regarding Market Contracts entered into by the Defaulter.

**D.8 DELEGATION OF FUNCTIONS**

The Exchange may from time to time appoint one or more persons to perform any of the functions on its behalf, save those referred to in Rules D.4.1 and D.7.1, which it may or may be required to exercise under this Section D and may appoint any professional adviser to advise or assist the Exchange with respect to carrying out its functions hereunder.

**D.9 COSTS**

The Defaulter shall indemnify the Exchange for costs, charges and expenses which the Exchange may incur or suffer in taking any action under this Section D, including the costs or fees of any person appointed to perform any function on behalf of the Exchange, or to advise or assist with respect thereto, under Rule D.8.

**D.10 CO-OPERATION WITH OTHER BODIES**

Subject to Rule A.4, the Exchange may pass on any details of or other information in its possession relating to a Defaulter or his Market Contracts to the Clearing House, the MAS or to any other of the persons referred to in Rule D.4.3 or to any other body or authority having responsibility for any matter arising out of or in connection with the default and otherwise co-operate with any such persons in connection with such default.

**SECTION E - DISCIPLINARY**

- E.1 Notification of Breach
- E.2 Breaches of Rules and Acts of Misconduct
- E.3 Investigations
- E.4 Disciplinary Proceedings
- E.5 Emergency Suspension
- E.6 [Not used.]
- E.7 Summary Enforcement
- E.8 General Offences
- E.9 Loss or Damage to Trading Facilities
- E.10 Other Offences

**E.1 NOTIFICATION OF BREACH**

All Members shall immediately notify the Exchange of any infringement of the Rules (including those prescribed under Rule A.9) or of any financial or commercial difficulty on the part of themselves or any Member or Person Subject to the Rules and, as soon as practicable thereafter, give the Exchange full particulars of the infringement or difficulty.

**E.2 BREACHES OF RULES AND ACTS OF MISCONDUCT****Bringing the Exchange into Disrepute**

- E.2.1 (a) No Member and no other Person Subject to the Rules shall (or shall permit any Member's Representatives to) take any action or be guilty of any omission which in the opinion of the Exchange is liable to bring the Exchange or its Members into disrepute or otherwise be substantially detrimental to the interests or welfare of the Exchange.
- (b) No Member and no other Person Subject to the Rules shall knowingly or recklessly permit the use of his or its services, facilities or membership by any person in a manner which is in the opinion of the Exchange liable to bring the Exchange or its Members into disrepute, impair the dignity or degrade the good name of the Exchange, create or maintain or exacerbate manipulations (or attempted manipulations) or corners (or attempted corners) or violations of the Rules (or arrangements, provisions or directions made or given thereunder) or otherwise be substantially detrimental to the interests or welfare of the Exchange.

**Conduct In Relation To Trading**

- E.2.2 (a) No Member (or other Person Subject to the Rules) shall in relation to Contracts or Corresponding Contracts entered into, or orders placed, on the Market or otherwise in accordance with the Rules:
- (i) commit any act of fraud or bad faith;
  - (ii) act dishonestly;
  - (iii) engage or attempt to engage in extortion;
  - (iv) continue (otherwise than to liquidate existing positions) to trade or enter into such Contracts or Corresponding Contracts or provide margin to or accept margin from the Exchange when not in compliance with the minimum financial requirement currently in force in relation to the category of membership to which it belongs;
  - (v) knowingly disseminate false, misleading or inaccurate reports concerning any product or market information or conditions that affect or tend to affect prices on the Market;
  - (vi) manipulate or attempt to manipulate the Market, nor create or attempt to create a disorderly Market, nor assist its clients, or any other person to do so;
  - (vii) make or report a false or fictitious trade; or
  - (viii) enter into any Contract or Corresponding Contract or fail to close out the same either intending to default in performance of the same or having no reasonable grounds for thinking that it would be able to avoid such default (provided that it shall not be sufficient to have intended to comply with any contractual or other provision governing the consequences of default).

**Market Abuse**

- E.2.2A Members and other Persons Subject to the Rules whose behaviour amounts to any behaviour prohibited under Part XII of the SFA shall be in breach of the Rules.

**Other Acts of Misconduct**

- E.2.3 For the purposes of these Rules, an act of misconduct is:
- (a) any conduct contrary to Rule A.2.1;
  - (b) permitting, enabling, facilitating or participating in conduct by a third party which would be a violation or attempted violation of these Rules if that third party were subject to these Rules;
  - (c) a failure to pay a fine or order for costs imposed by a Disciplinary Panel that had not been overturned by an Appeal Panel;
  - (d) a failure to adhere to the terms of any settlement of disciplinary proceedings agreed pursuant to Rule E.4.3A;
  - (e) any other event or practice which has developed or is developing on the Exchange and is thought to be capable of impairing the orderly conduct of business on the Exchange or affecting the due performance of Contracts;
  - (f) provision to the Exchange of information (including information for the purpose of obtaining or maintaining membership) which is false, misleading or inaccurate in a material respect;
  - (g) ceasing to meet eligibility criteria for membership as set out in the Rules without notifying the Exchange;
  - (h) contravening an Exchange direction issued under Rule G.22.2;
  - (i) any other matter of which the Exchange may, from time to time, notify Members through administrative notices issued to Members; or
  - (j) using or revealing any information confidential to the Exchange or another person, including, but not limited to, information obtained through participation in any investigation or disciplinary proceedings.
- E.2.4 The making of a Contract or Corresponding Contract by a Member with a client (whether or not a Member) otherwise than on the Market and not falling within Rule F.2.1(a) or (b) or any other breach of Rule F.2, shall constitute an offence. Any contract so made will be deemed not made by the Member subject to the Rules, save that the Member will be subject to disciplinary Rules and procedures.
- E.3 INVESTIGATIONS**
- E.3.1 Investigations into alleged infringements of the Rules or an act of misconduct may be authorised by the Exchange.
- E.3.2 The Exchange shall issue a Notice of Investigation ("**NoI**") notifying the Member concerned that an investigation has been commenced. The NoI shall be sent to the Member or the person concerned and copied to the Member's compliance officer or other appropriate Member's Representative and shall contain a brief description of the matter under investigation.
- E.3.3 In the course of conducting an investigation, the Exchange may call for the assistance of such professional, legal or accounting advisers, clearing houses, exchanges, regulatory organisations and other advisers or persons as it thinks fit. Any external adviser appointed by the Exchange shall be required to treat all information obtained in the course of the investigation as confidential and to disclose it only to the Exchange.
- E.3.4 Members and other Persons Subject to the Rules shall co-operate fully with all such investigations (whether or not such Member or person is the direct subject of such investigation). Without limitation, each Member (and, so far as applicable, each Person Subject to the Rules) shall:
- (a) promptly furnish to the Exchange such information and documentary and other material as may reasonably be requested (including, without limitation, in the case of Members details of the Member's own and clients' accounts);

- (b) permit those persons appointed to carry out or assist in carrying out the investigation on reasonable notice, such notice being commensurate with the seriousness of the potential or alleged breach of the Rules and to enter any premises in any part of the world where the Member carries on its business or maintains its records during normal business hours for the purpose of carrying out such investigation. Each Member hereby irrevocably grants the Exchange a licence for this purpose and shall procure a licence to the Exchange from any affiliate person, agent or third party under its control that is necessary for this purpose;
  - (c) make available for interview itself (if the Member is a natural person) and such of its Member's Representatives as may reasonably be requested; and itself answer, and procure that its Member's Representatives answer, truthfully and fully any question put by or on behalf of the Exchange. If a Member or Member's Representative fails to attend an interview with the Exchange or a scheduled hearing of the ARC Committee, Disciplinary Panel or Appeals Panel, the Member and/or Member's Representative may be fined SGD 2,000 per day of non-attendance and may be excluded from the Market until they take reasonable steps to make themselves available on an alternative date;
  - (d) make available for inspection such documents, records or other material in its possession, power or control as may reasonably be required and, upon request, provide copies of the same;
  - (e) use its best endeavours to ensure that so far as possible its agents give similar co-operation.
- E.3.5 Each Member and other Person Subject to the Rules authorises the Exchange to request any clearing house, exchange or regulatory body or person to furnish to the Exchange such information and documents as the Exchange may require in connection with an investigation.
- E.3.6 [Not used.]
- E.3.7 When, in the opinion of the Persons conducting the investigation, they have sufficient information, they shall make a written report to the Exchange who may, or may not, recommend to the ARC Committee that disciplinary proceedings should be commenced.
- E.3.8 The Exchange or the ARC Committee may, without prejudice to any other of their powers:
- (a) decide that no further action should be taken and notify any Member or other person concerned in writing accordingly;
  - (b) in the event of a minor infringement or misconduct, issue a written warning (which shall be private save as provided for in paragraph (f) below) to the Member concerned (or, in the case of such an infringement or misconduct by some other person, that person with a copy to any Member with whom he was associated at the time of such infringement or misconduct);
  - (c) commence disciplinary proceedings (including, in an appropriate case, summary proceedings under Rule E.7.0 or Rule E.7.1);
  - (d) in the case of the ARC Committee, refer the matter back to the Exchange for further enquiry;
  - (e) [Not used.]
  - (f) report such of the findings of the investigation to such exchanges, clearing houses or other regulatory bodies as they think fit; or
  - (g) publish such findings and in such detail as they deem appropriate where the matter under investigation is considered of relevance to the market in general or in the public interest,

provided that the Exchange or the ARC Committee may, in an appropriate case, take more than one of the above actions or different actions in relation to different Members or other persons concerned in the same investigation.

**E.4 DISCIPLINARY PROCEEDINGS****Commencement**

- E.4.1 Disciplinary proceedings may be commenced by the ARC Committee only when it is satisfied (whether or not a formal investigation has taken place under the Rules) that there is *prima facie* evidence of an infringement of the Rules or misconduct by a Member or other Person Subject to the Rules. The ARC Committee shall only impose any sanction on a person that it determines is or was or should be held responsible (whether solely, jointly or by way of contribution) for the relevant conduct. If sanctions are to be imposed as a result of any conduct of a client of a Member, the relevant Member may present information or evidence to the ARC Committee as to whether any sanctions should be limited to those set out in this Section E of the Rules.
- E.4.2 When the ARC Committee decide to commence disciplinary proceedings, they shall (subject to Rule E.7.0) direct that a written notice ("**Notice**") be sent to the Member (or, in the case of proceedings against some other person, that person and any Member with whom he was associated at the time of the matter in question), which shall set out the alleged act of misconduct or infringement, including a summary of facts relied upon.
- E.4.2.1 The Member or other person the subject of a Notice shall, if it wishes, have twenty working days (or such further time as the ARC Committee may in its absolute discretion allow) from the service of the Notice in which to provide a statement of defence (the "**Defence**") responding to all or any of the allegations, stating its intended pleas and what admissions of fact, if any, it makes. Where no defence has been served and no settlement has been reached, the Exchange will deem the Member or other person the subject of Notice to have accepted the facts and matters alleged in the Notice.
- E.4.2.2 Having seen and considered the Defence, the ARC Committee may, if it deems appropriate, continue to proceed with the disciplinary proceedings and refer the matter to the Disciplinary Panel or may choose to discontinue disciplinary proceedings or deal with the matter as set out in Rule E.3.8.
- E.4.3 Without adjournment or reference back to the ARC Committee, the Disciplinary Panel, or a quorum of the ARC Committee hearing a case summarily, may amend a Notice by deletion, alteration or addition, or may vary the Rule breach alleged or add another Rule breach, provided that they are of the opinion that:
- (a) the amendment or variation is material to the course of conduct under investigation;
  - (b) the essential character of the allegation or Rule breach has not been changed; and
  - (c) the Member would not be prejudiced in any defence it might wish to put before the Disciplinary Panel.

In any other circumstances, and in particular should a Disciplinary Panel, or a quorum of the ARC Committee hearing a case summarily, determine that a separate or unrelated course of misconduct or an infringement of the Rules may have been revealed, it may order an adjournment to enable the matter to be investigated further or, in the case of the Disciplinary Panel, may refer the matter back to the ARC Committee for further examination.

**Settlement**

- E.4.3.A The Member and/or the person alleged to have committed the infringement may attempt to settle the disciplinary proceedings at any stage (including any appeal) with the Exchange. The terms of any settlement shall be agreed between the Exchange and the individual or Member as the case may be and submitted in writing to the chairman of the ARC Committee, or in his absence a quorum of this ARC Committee for ratification. Upon ratification, the terms of the settlement shall take effect. In the event the settlement is not ratified, the disciplinary proceedings shall continue.

**Appointment of Disciplinary Panel**

- E.4.4 (a) Disciplinary Panels shall be appointed, as required, by the Exchange. A Disciplinary Panel shall consist of a chairman sitting alone or together with one or two other persons; such persons that are appointed to the Disciplinary Panel may be persons drawn from market

practitioners, lawyers or other suitable persons. Serving members of the ARC Committee or Directors shall not be appointed to a Disciplinary Panel. Expert assessors may be appointed, at the discretion of the ARC Committee or the Disciplinary Panel itself, to sit with and advise the Disciplinary Panel but not to vote. No person shall serve on or sit with a Disciplinary Panel if he has a personal or financial interest, in or has been involved in any investigation into, or previous Disciplinary Panel hearing on, the matter under consideration.

- (b) The Member and/or the person alleged to have committed the infringement and the Exchange may object to any particular appointment to the Disciplinary Panel which objection will be determined in the first instance by the chairman of the Disciplinary Panel and, in the event that the objection is against the chairman of the Disciplinary Panel, then this will be determined by the chairman of the Appeals Panel.
- (c) In the event of equality of votes, the chairman shall have a second or casting vote.
- (d) In the event of any member of the Disciplinary Panel having or acquiring a personal or financial interest in the outcome or in any other way being or becoming incapacitated or permanently unavailable, the chairman of the Disciplinary Panel (or in the case of the chairman of the Disciplinary Panel, the chairman of the Appeals Panel) may direct that the Disciplinary Panel shall continue to act with a reduced number or appoint another person to take the place of the retiring member of the Disciplinary Panel (and the disciplinary proceedings shall then proceed as if such person had been originally appointed in lieu of the first person) or may direct that a new Disciplinary Panel should be appointed to re-hear the matter.

E.4.5 [Not used.]

E.4.6 [Not used.]

E.4.7 [Not used.]

#### **Proceedings of Disciplinary Panels**

E.4.8 The Disciplinary Panel shall investigate the alleged misconduct or infringement and determine whether there has been a violation of the Rules and, if so, the appropriate sanction (if any) to be imposed. In carrying out this function, the Disciplinary Panel may adopt such procedures as it thinks fit. Without limitation:

- (a) it may request from the Exchange or the Member (or the person concerned and any Member) such further statements, information, documents or other evidence as it may think fit, or either party to the proceedings may adduce further evidence as they consider necessary, within time limits agreed by the Disciplinary Panel;
- (b) the Disciplinary Panel, or its chairman sitting alone, may deal with such matters as it considers appropriate at a pre-hearing review, issue directions and take such other steps as it considers appropriate for the clarification of the facts and issues and for the just and expeditious determination of the case;
- (c) it may, if it considers appropriate, but only with the agreement of the Exchange and the Member concerned (or the person concerned and any associated Member), decide to determine the case upon written submissions and evidence placed before it;
- (d) in all other cases, the Exchange and the Member (or the person concerned and any Member) shall be given the opportunity (and may be required by the Disciplinary Panel upon reasonable notice) to attend and give evidence before the Disciplinary Panel and be questioned. The Exchange or the Member (or the person concerned and associated Member, as the case may be) may call witnesses to give evidence and be questioned;
- (e) the Member (or the person concerned and any associated Member) and the Exchange may be assisted or represented by any person who may or may not be legally qualified;

- (f) any person who is subject to the Rules may be required (and any other person may be requested) by the Disciplinary Panel (upon reasonable notice) to attend and give evidence. The Member (or person concerned and any associated Member) shall be given notice of every hearing at which any person is to give evidence. Both the Member (or the person concerned and associated Member, as the case may be) and the Exchange shall be allowed the opportunity of examining and cross-examining any person who attends to give evidence;
- (g) the Disciplinary Panel may call for any person to attend its hearings. Save for this, all hearings shall be in private unless the Member requests otherwise and the Exchange and the Disciplinary Panel consent;
- (h) the Disciplinary Panel shall not be bound by any rule of law or court procedure concerning admissibility of evidence and may accept as conclusive any finding of fact made by a court or any regulatory body;
- (i) the Disciplinary Panel shall apply the civil standard of proof on the balance of probabilities, with the cogency of evidence required being commensurate with the seriousness of the alleged infringement;
- (j) the Disciplinary Panel may consult with legal advisers;
- (k) a Member's disciplinary record shall not be disclosed to the Disciplinary Panel until the Disciplinary Panel shall have declared itself satisfied that an infringement has been proved. The Disciplinary Panel shall then bespeak such record from the Exchange and shall be entitled to take it into account when selecting the appropriate sanction;
- (l) the Disciplinary Panel may receive submissions from the Exchange on the appropriate sanction. Such submissions shall be made available to the Member and/or person concerned who shall have the right to make final submissions on penalty.

E.4.9 If the Exchange or Member (or person concerned and any associated Member or either of them) should fail to meet a time limit imposed by the Disciplinary Panel or fail to attend a hearing, the Disciplinary Panel may, in its absolute discretion, allow an extension of time, adjourn its proceedings or proceed, if necessary in the absence of the Member (or the person and Member, or either of them).

E.4.10 The findings of the Disciplinary Panel, and particulars of any sanction, shall be notified in writing to the Member concerned (or the person concerned and any associated Member). Such findings and sanction shall be deemed conclusive and binding upon expiry of the time permitted for appeal or receipt by the Exchange of any earlier written notice that such right of appeal will not be exercised.

#### **Sanctions**

E.4.11 The sanctions which may be imposed on a Person Subject to the Rules by a Disciplinary Panel shall not exceed the following:

- (a) the issue of a public or private warning or reprimand;
- (b) the issue of a public or private notice of censure;
- (c) in the case of an individual, disqualification (either indefinitely or for a fixed term) from being a Director or member of a committee or any panel of the Exchange;
- (d) in the case of a Member, disqualification (either indefinitely or for a fixed term) of any of its Member's Representatives from being a Director or member of a committee or any panel of the Exchange;
- (e) a fine of any amount, to be paid on such terms as may be prescribed by the Exchange by Circular;
- (f) in the case of an individual entitled to enter or access the Market, suspension or curtailment of his right to do so (which may include suspension of his registration as a Responsible Individual) for a fixed term of up to a maximum of 36 months;

- (g) a recommendation to the Exchange that it suspend a Person Subject to the Rules;
- (h) a recommendation to the Exchange that they expel a Member from membership of the Exchange, or in the case of other Persons Subject to the Rules, permanently remove their right to access the Trading Facilities of the Exchange under Rule B.7.1(a);
- (i) the issue of an order requiring the Member found to have committed the breach (or the person found to have committed the breach and the Member with whom he was associated at that time, or either of them) to take such steps including making an order for compensation, as the Disciplinary Panel may direct to remedy the situation including, without limitation, making an order for restitution to any affected person when the Member (or person concerned) has profited (or avoided a loss) from an act of misconduct at that person's expense;
- (j) [Not used.]
- (k) any combination of the foregoing.

Where a Person Subject to the Rules is expelled pursuant to Rule B.7.1(a) or has any or all of his rights of membership suspended pursuant to Rule B.7.1(b) or Rule B.7.2 (as applicable), the ARC Committee may make such directions;

- (i) as they think fit in respect of his open Contracts or Corresponding Contracts (including, without limitation, directions for the reduction, transfer or elimination of them);
- (ii) to the effect that where a Person Subject to the Rules is expelled, they may reapply for registration with the Exchange at any time after the date specified in the notice of sanction. Such reapplication will only be considered if all costs and fines associated with the notice of sanction are paid in a timely fashion.

- E.4.12 (a) The contravention of any sanction imposed or direction made under or pursuant to Rule E.4.11 may be treated for all purposes as an infringement of the Rules. The lack of enforcement or actioning by the Exchange of a recommendation to impose any sanction shall not constitute a breach of the Rules by the Exchange.
- (b) A Disciplinary Panel may order any party to the proceedings to pay costs as it thinks appropriate, including but not limited to, administration costs, costs incurred in the investigation, preparation, and presentation of the case.

#### **Publication of Findings**

- E.4.13 The ARC Committee shall give such publicity as they consider appropriate to any finding of, or any sanction imposed or other order made by a Disciplinary Panel or by an Appeals Panel, or any ratified settlement, provided that if the ARC Committee shall determine that no publicity shall be given as aforesaid, they shall record in the minutes of their meeting the reasons for the said determination. The provisions of this Rule are without prejudice to the right of the Exchange under Rule A.4.1 or otherwise to disclose confidential information to other regulatory or law-enforcement bodies.

#### **Appeal**

- E.4.14 The Exchange shall from time to time appoint persons who shall not be Directors or serving members of the ARC Committee, to serve on Appeals Panels. An Appeals Panel shall consist of a chairman sitting alone or together with one or two other persons who are not prevented from serving on the Appeals Panel by reason of the matters contained in Rule E.4.4 and shall not, for the avoidance of doubt, include any person sitting on the relevant Disciplinary Panel for the same or a related matter. The chairman of the Appeals Panel shall be a lawyer.
- E.4.15 (a) Within 14 days of receiving notice in writing of a finding or order of a Disciplinary Panel, or such longer period as the Exchange may in its absolute discretion direct, a defendant or the Exchange, or both, may request an Appeals Panel be convened to hear its appeal by lodging with the Exchange a notice of appeal in writing and by delivering a copy thereof to any other party. A notice of appeal shall set out the grounds of the appeal and shall contain a brief

statement of all matters relied on by the appellant. The grounds of the appeal may be any one or more of the following:

- (i) the Disciplinary Panel misdirected itself; or
- (ii) the Disciplinary Panel's decision was:
  - (aa) one which no reasonable Disciplinary Panel could have reached;
  - (bb) unsupported by the evidence or was against the weight of the evidence; or
  - (cc) based on an error of law, or a misinterpretation of the Exchange Rules; or
- (iii) the sanction imposed by the Disciplinary Panel was excessive or, in the case of an appeal by the Exchange, was insufficient or inappropriate; or
- (iv) new evidence is available and that, had it been made available, the Disciplinary Panel could reasonably have come to a different decision. This will not apply if the evidence could have been adduced before the Disciplinary Panel by the exercise of reasonable diligence;

but no party may otherwise appeal against the Disciplinary Panel's finding of infringement, or order;

- (b) In the case of appeal against a sanction, the Appeals Panel may affirm, vary or revoke the sanction, in all cases, within the limits set out in Rule E.4.11. In the case of appeal pursuant to Rule E.4.15(a)(i), (ii) or (iv), the Appeals Panel may make such order or give such direction as it considers just including, if thought fit, in relation to an appeal pursuant to Rule E.4.15(a)(ii), a direction for a rehearing of the case by another Disciplinary Panel.
- (c) On receipt of a notice of appeal, the Exchange will constitute an Appeals Panel from among those persons authorised under Rule E.4.14 above.

E.4.16 An Appeals Panel may adopt such procedure as it thinks fit and just, including without limitation the procedures described in Rule E.4.8. The appellant and the respondent may appear, make representations and (subject to the restriction on adducing new evidence in Rule E.4.15(a)(iv)) call witnesses, who may be examined and cross-examined.

- E.4.17 (a) The decision of an Appeals Panel shall be final and binding and there shall be no further appeal. The decision shall be notified to the appellant in writing as soon as possible.
- (b) Rule E.4.12(b) shall apply to the Appeals Panel as though the reference therein to the Disciplinary Panel were to the Appeals Panel.

## **E.5 EMERGENCY SUSPENSION**

Notwithstanding and without prejudice to any other provision of the Rules (including without limitation this Section E of the Rules) the Exchange may, upon reasonable belief that immediate suspension is necessary to protect the interests of the Exchange and its Members or to ensure an orderly market, suspend for up to seven working days the right of any Member's Representative (including clients or customers) to enter the Market to trade. Such decisions shall be reviewed by the Exchange within that period, and may be extended subject to such arrangements as the Exchange thinks fit.

**E.6** [Not used.]

**E.7 SUMMARY ENFORCEMENT**

**E.7.0** (a) Subject to paragraph (b) below, where in all the circumstances of a case the ARC Committee considers summary enforcement of the Rules to be apt, it may, instead of referring disciplinary proceedings to a Disciplinary Panel, summarily hear and determine the case itself. The sanctions which may be imposed by the ARC Committee are those set forth in Rule E.4.11 save that:

- (i) the sanction of expulsion shall not be available to the ARC Committee;
- (ii) the maximum sanction of suspension which may be imposed by the ARC Committee on an individual is limited to three calendar months; and
- (iii) the maximum fine which may be imposed by the ARC Committee is limited to SGD 50,000 for an individual and SGD 100,000 for a Member in respect of each offence.

In the conduct of a summary hearing under this Rule the ARC Committee shall conform to such procedures as may from time to time be prescribed for the purpose by the Exchange.

- (aa) In connection with a summary hearing under this Rule the ARC Committee may order any party to the proceedings to pay costs as it thinks appropriate, including but not limited to, administration costs, costs incurred in the investigation, preparation and presentation of the case.
- (b) Where an alleged infringement or misconduct falls outside those mentioned in Rule E.7.1, before commencing a summary hearing under paragraph (a) above, the ARC Committee shall inform the Member or other person concerned that such person may object to summary enforcement. If the person concerned so objects, the case shall not proceed under this Rule but shall be referred to a Disciplinary Panel under Rule E.4.1.
- (c) A Member, or other person proceeded against, may appeal to a Disciplinary Panel against a summary determination of the ARC Committee under paragraph (a) above. Notice of appeal shall be lodged with the Exchange within seven days of notification of the Committee's determination. Rule E.4.8 shall apply to the proceedings of the Disciplinary Panel, modified as the Disciplinary Panel may consider appropriate to the case. The determination of the Disciplinary Panel on appeal from the ARC Committee shall be final and binding. There shall be no further appeal.

**E.7.1** Without prejudice to the powers of investigation and discipline contained in Rules E.3.1, E.4.1 and E.5, or to the summary jurisdiction of the ARC Committee under Rule E.7.0, an infringement or contravention of or a failure to observe or comply with any provision of the Rules appearing in Rule E.8 (except paragraph (a) thereof) or in Section G (Trading) may be summarily dealt with under Rule E.7.2.

**E.7.2** The Exchange or such other persons as may be duly authorised by the ARC Committee may take summary disciplinary measures, including, without limitation, the imposition of fixed penalty fines and fixed terms of exclusion from the Market (or any part thereof), in respect of any infringement, contravention or failure mentioned in Rule E.7.1. The Exchange, under the authority of the ARC Committee, may from time to time by Circular or other written notice to Members prescribe the procedure governing the taking of summary disciplinary measures under this Rule, any procedure for appeal and any other matter incidental thereto, including the limitation of summary measures either generally or in particular classes of case.

**E.7.3** A failure to observe any sanction imposed under Rule E.7.0 or Rule E.7.2 shall be treated as an infringement of the Rules. The lack of enforcement or actioning by the Exchange of any sanction shall not constitute a breach of the Rules by the Exchange.

**E.7.4** Any summary decision of the ARC Committee or the Exchange shall be notified to the relevant Member and may be circulated by the Exchange to the compliance officer or other appropriate Member's Representative or published by way of Circular.

**E.8 GENERAL OFFENCES**

A Person Subject to the Rules is prohibited from doing any act which may bring the Exchange into disrepute. Such acts as may include, but are not limited to:

- (a) physical or verbal abuse of an Exchange official in the course of his duties;
- (b) abusive and/or disorderly behaviour;
- (c) any act which, in the opinion of the Exchange, may be prejudicial to the good reputation of the Exchange; and
- (d) any other act prescribed under this Rule by the Exchange.

**E.9 LOSS OR DAMAGE TO TRADING FACILITIES**

E.9.1 Damage or loss to the property of the Exchange or the Trading Facilities will be paid for by the Member causing such damage or loss to the property unless the Member can satisfy the Exchange that the damage or loss to property was caused by a third party named by the Member.

E.9.2 All other forms of damage or loss to property to the Exchange or the Trading Facilities will be charged to the Members when no individual or individuals can be held responsible.

**E.10 OTHER OFFENCES****E.10.1 EFRP Reports**

The Exchange may, by Circular, require Members to report every EFRP transaction conducted under Rule F.5A to the Exchange in such manner and within such time as it may prescribe. Failure to comply with any such requirements shall be an offence.

**E.10.2 Rules**

The Exchange may, by Circular, prescribe fixed penalty fines to be imposed on a Member who has, or appears to have, failed to comply with any obligation under the Rules.

**SECTION F - CONTRACTS**

- F.1 Contracts with Clearing House
- F.2 Contracts in the making of which a Member is Subject to the Rules
- F.3 Transaction Records
- F.4 Deposits and Margins
- F.5 [Not used.]
- F.5A EFRPs
- F.6 Transfer of Contracts
- F.7 Block Trades
- F.8 Position Transfers

## F.1 CONTRACTS WITH CLEARING HOUSE

F.1.1 Contracts shall arise only at the times, and subject to the conditions, set out in the Clearing House Rules. In the event of any conflict between this Rule F.1 and the Clearing House Rules, the Clearing House Rules shall prevail.

### Platform Trades

F.1.2 The following Rules apply to a Platform Trade that is matched between one Member and another Member (the "**Counterparty**") which may be the same person as the first-mentioned Member pursuant to Rules F.1.3 and F.1.4. Pursuant to the Clearing House Rules, two Contracts arise at the time of such matching, which for the purposes of this Rule F.1 shall be called the "**ICE Futures Singapore Matched Contracts**".

F.1.3 The two ICE Futures Singapore Matched Contracts arising in accordance with Rule F.1.2 shall be between the following parties:

- (i) one Contract between the Clearing House and the following counterparty or counterparties acting as Buyer (the "**First Leg Contract**"):
  - (A) if the Member is a Clearing Member and is clearing a Platform Trade for Own Business, the Member;
  - (B) if the Member is entering into a Platform Trade for Own Business and is not a Clearing Member (or, if it is a Clearing Member, and has, by act or omission, established settings in the ICE Clearing Systems such that it will not clear the relevant Platform Trade in either such capacity) the Clearing Member that has been selected by the Member as Clearing Member for the Platform Trade ("**Clearing Member A**"), provided that Clearing Member A is party to a Clearing Agreement with the Member (such Member, not being Clearing Member A, for the purposes of this Rule F.1 a "**non-clearing Member**");
  - (C) [Not used.]

*(Own Business Platform Trades of the Member)*

- (D) if the Member is a Clearing Member and is clearing a Platform Trade for the account of its client, the Member; and
- (E) if the Member is not a Clearing Member and is entering into a Platform Trade for the account of a client, the Clearing Member that has been selected by the Member as Clearing Member for the Platform Trade ("**Clearing Member B**"), provided that Clearing Member B is party to a Clearing Agreement with the Member or its client (such Member or its client, not being Clearing Member B, for the purposes of this Rule F.1 a "**non-clearing counterparty**"); and
- (F) [Not used.]
- (G) [Not used.]

*(Client account Platform Trades of the Member)*

- (i) another Contract between the Clearing House and a counterparty or counterparties acting as Seller in the same way as set out in Rule F.1.3(i) above but with respect to the Counterparty (the "**Second Leg Contract**").

F.1.4 Upon two ICE Futures Singapore Matched Contracts arising in accordance with Rules F.1.3(i)(B), (D) and (E), up to two Corresponding Contracts shall also arise between the following parties:

- (i) in the case of Rule F.1.3(i)(B), the non-clearing Member and Clearing Member A;
- (ii) [Not used.];

- (iii) in the case of Rule F.1.3(i)(D), the client and the Member; and/or
- (iv) in the case of Rule F.1.3(i)(E), the non-clearing Counterparty and Clearing Member B,
- (v) [Not used.]
- (vi) [Not used.]

as applicable, in respect of the First Leg Contract and/or Second Leg Contract (with respect to the Counterparty), provided that no such Corresponding Contract shall arise where any Clearing Member is an FCM Clearing Member, except as provided for in Rule F.1.13. A party to a First Leg Contract may also be a party to a Second Leg Contract if it is the Clearing Member in respect of both legs and acts in a different capacity or for different clients in respect of the same Platform Trade. In such circumstances, any Corresponding Contracts arising in accordance with this Rule F.1.4 will arise separately with respect to the First Leg Contract and Second Leg Contract.

The terms of any such Corresponding Contracts shall be as set out in the Clearing House's Customer-CM Transactions Standard Terms, but on economic terms identical to the terms of the relevant ICE Futures Singapore Matched Contract, except that:

- (A) if the party to the ICE Futures Singapore Matched Contract is the seller under the ICE Futures Singapore Matched Contract it shall be the buyer under the Corresponding Contract and *vice versa*;
- (B) it is not a cleared Contract (with the result that certain terms applicable only to cleared Contracts will not apply pursuant to the Customer-CM Transactions Standard Terms); and
- (C) it shall be subject to such amended or different terms and conditions as are or have been agreed between the parties, to the extent not inconsistent with the Customer-CM Transactions Standard Terms.

#### **Block Trade and EFRP Contracts ("ICE Futures Singapore Block Contracts")**

- F.1.5 The following Rules apply to an ICE Futures Singapore Block Trade which is agreed between two different Members (for the purposes of this Rule F.1.5 the "**Non-Crossed Transaction**"). The relevant details may be reported to the Exchange by one Member ("**Block Member A**") who is party to the Non-Crossed Transaction, through ICE Block, pursuant to the Rules and in such a manner that may be prescribed by the Exchange from time to time. The other Member party to the Non-Crossed Transaction ("**Block Member B**") must confirm acceptance of the relevant details through ICE Block. Pursuant to the Clearing House Rules, two ICE Futures Singapore Block Contracts arise at the time of receipt by the Exchange in its system of such confirmation of acceptance, provided that complete and correct data in respect of the transaction has been received.
- F.1.6 The two ICE Futures Singapore Block Contracts arising in accordance with Rule F.1.5 shall be established in the same way and between such parties as set out in Rule F.1.3(i) and (ii) above, but with respect to Block Member A and Block Member B.
- F.1.7 Upon an ICE Futures Singapore Block Contract arising under Rule F.1.5 above, up to two Corresponding Contracts shall be established in the same way and between such parties as set out in Rule F.1.4 above, but with respect to Block Member A and Block Member B.
- F.1.8 This Rule F.1.8, and Rules F.1.9 and F.1.10, apply to an ICE Futures Singapore Block Trade where both the buy and sell sides of the ICE Futures Singapore Block Trade are reported to the Exchange by the same Member (for the purposes of this Rule F.1.8, a "**Crossed Transaction**"). The relevant details may be reported to the Exchange by the Member ("**Block Member A**") through ICE Block pursuant to the Rules and in such a manner that may be prescribed by the Exchange from time to time. Pursuant to the Clearing House Rules, two ICE Futures Singapore Block Contracts arise at the time of receipt by the Exchange in the ICE Clearing Systems of correct and complete details relating to the Crossed Transaction.

- F.1.9 The two ICE Futures Singapore Block Contracts arising in accordance with Rule F.1.8 shall be established in the same way and between such parties as set out in Rule F.1.3(i) and (ii) above but with respect to Block Member A.
- F.1.10 Upon an ICE Futures Singapore Block Contract arising under Rule F.1.8 above, up to two Corresponding Contracts shall be established in the same way and between such parties as set out in Rule F.1.4 above, but with respect to Block Member A.

### General Provisions

- F.1.11 Subject to any Rules and procedures made pursuant to Rule F.6, an ICE Futures Singapore Matched Contract or ICE Futures Singapore Block Contract to which a Clearing Member becomes a party pursuant to Rule F.1 (and which has not been allocated by such Clearing Member to, and accepted by, another Clearing Member in accordance with Clearing House Rules) shall be recorded with the Clearing House in the name of such Clearing Member in accordance with and subject to the Clearing House Rules.
- F.1.12 An ICE Futures Singapore Matched Contract or ICE Futures Singapore Block Contract may be allocated from one Clearing Member, being the person initially party to such contract pursuant to Rule F.1.3, F.1.5 or F.1.9 ("**Clearing Member A**") to another Clearing Member ("**Clearing Member B**") if both such Clearing Members record their agreement to such allocation in the ICE Clearing Systems on the same day that the relevant ICE Futures Singapore Matched Contract or ICE Futures Singapore Block Contract arose. Subsequent to such agreement having been recorded, the original ICE Futures Singapore Matched Contract or ICE Futures Singapore Block Contract between Clearing Member A and the Clearing House shall be terminated simultaneously with a replacement ICE Futures Singapore Matched Contract or ICE Futures Singapore Block Contract, on the same terms as the terminated Contract, arising between Clearing Member B and the Clearing House and being recorded with the Clearing House in the name of Clearing Member B, in accordance with and subject to the Clearing House Rules. Any related Corresponding Contract to which Clearing Member A was party shall also simultaneously terminate and be replaced by a Corresponding Contract to which Clearing Member B is party.
- F.1.13 If Clearing Member A is an FCM Clearing Member and a Corresponding Contract would otherwise arise pursuant to Rule F.1.4, F.1.7 or F.1.10 but for the fact that the Clearing Member is an FCM Clearing Member, then:
- (i) there shall be no Corresponding Contract, unless the clearing agreement between the FCM Clearing Member and the Member so provides;
  - (ii) where the clearing agreement does so provide, the relevant Contract arising between the FCM Clearing Member and the Clearing House pursuant to Rule F.1.3, F.1.6 or F.1.9 and the Clearing House Rules will be entered by such FCM Clearing Member for such Member as its customer under the terms of the clearing agreement between such Member and FCM Clearing Member (an "Agency Relationship"); and
  - (iii) where the clearing agreement does so provide, the Contract between the FCM Clearing Member and the Clearing House will be subject to particular provisions of the Clearing House Rules applicable to the Contracts to which FCM Clearing Members are party.
- F.1.14 If the Clearing House takes any action in relation to a Contract, without limitation including pursuant to Clearing House Rules 103 (Delay in performance by the Clearing House), 104 (Invoicing back and specification of terms), 107 (Conversion to other Eligible Currency), 109 (Alteration of Rules, Procedures, Guidance and Circulars), 110 (Extension or Waiver of Rules) or 112 (Force majeure and similar events), each affected Clearing Member may take equivalent action (or, if it cannot take equivalent action, it is not advisable to do so or equivalent action would not deal with the matter in hand, other appropriate action) against the relevant Member under the Corresponding Contract, including but not limited to terminating, and/or modifying the non-economic terms of, such Corresponding Contract and/or making adjustments to any determination of amounts paid or payable under the relevant Clearing Agreement.

- F.1.15 Each Member agrees and acknowledges that any Clearing Member selected by it for any Matched Transaction, if applicable, does not guarantee the Clearing House's performance of any of the Clearing House's obligations under the Rules, any Contract or any Corresponding Contract. In the event that the Clearing House defaults in or defers or varies the payment or performance of any obligation otherwise owed by it in respect of a Contract corresponding to a Corresponding Contract, the Clearing Member will be entitled to make a corresponding deduction, withholding or other reduction from, or tolling or deferring of any payment or performance otherwise owed by it under such Corresponding Contract and/or to make its performance under such Corresponding Contract conditional on performance by the Clearing House under the related Contract. Where any such deduction or forbearance may be attributable to Corresponding Contracts between the relevant Clearing Member with more than one Member, the Clearing Member shall allocate such deduction among such Members on a *pro rata* basis. If such defaulted or delayed payment is subsequently obtained by the Clearing Member from the Clearing House (in whole or in part), the Clearing Member shall thereupon be liable to make the corresponding payment or performance (or portion thereof) to the Member pursuant to the Corresponding Contract.
- F.1.16 Each Corresponding Contract will automatically terminate without any obligation or liability of any party to such Corresponding Contract in the event that the Contract to which it relates is void or voided, pursuant to the Clearing House Rules, at the same time as the relevant Contract terminates and without need for any further action on the part of any person.
- F.1.17 A Clearing Member may be suspended, have its membership with the Clearing House terminated or be subject to Default Proceedings (within the meaning of Section D) by the Clearing House. Members that are not Clearing Members should be aware that such events may have effects upon Corresponding Contracts or agency relationships or their ability to enforce their rights under Corresponding Contracts or agency relationships. Members should refer to the Clearing House Rules for further details and to other references to "Customers" in the Clearing House Rules, in addition to the relevant risk disclosures made by the Clearing House and each Clearing Member.
- F.1.18 Each Member is hereby deemed to acknowledge, represent and agree that:
- (i) in entering into Contracts and Corresponding Contracts, Members will act as principal and not as agent, subject to the Clearing House Rules;
  - (ii) except as further detailed in the Clearing House Rules, the Clearing House has no obligation or liability to a Member that is not a Clearing Member, whether in tort, contract, restitution, in respect of any Contract, pursuant to the Rules or otherwise, (except any liability for fraud, death or personal injury or any other liability which under Applicable Laws may not be excluded); and
  - (iii) in accordance with the Clearing House Rules, the Clearing House has the right to suspend or terminate the clearing of transactions, either generally or in relation to a particular Clearing Member, without notice.

## **F.2 CONTRACTS IN THE MAKING OF WHICH A MEMBER IS SUBJECT TO THE RULES**

- F.2.1 A Member is subject to the Rules when entering into Contracts and contracts of the following kinds:
- (a) a Corresponding Contract made with a client otherwise than on the Market in conformity to Rule C.6.2(a);
  - (b) a Corresponding Contract made with a client otherwise than on the Market, not conforming to Rule C.6.2(a) only because the relevant matching contract (within the meaning of that Rule save as to the time it is made) is made or procured by the Member after and not before the matching of the Contract;
  - (c) a Contract made on the Market which is allocated to and accepted by the Member;
  - (d) a Corresponding Contract arising between the Clearing Member and its client which is a Member, pursuant to a Clearing Agreement to which they are both a party; and

- (e) any other Contract made or required or permitted to be made under the Rules including, without limitation, Section D.

F.2.2 [Not used.]

### **F.3 TRANSACTION RECORDS**

- (a) All Members shall keep proper and complete accounting and other records relating to all Contracts and Corresponding Contracts made on the Market or Contracts entered into otherwise in accordance with the Rules, whether for a Member's own or a client's account, and containing such details as the Exchange or the ARC Committee may from time to time prescribe. Separate accounts shall be kept in relation to each client and all orders and accounts shall be given a unique and clearly identifiable reference.
- (b) All orders executed on the Market or otherwise in accordance with the Rules shall be promptly recorded in writing (or such other permanent form as may from time to time be permitted) by the Member in its own records and reported to the Exchange (or, if the Exchange permits, to the Clearing House on behalf of the Exchange) in such manner and together with such particulars as the Exchange may from time to time require. The Exchange shall (and is hereby authorised to) present and confirm particulars of all Contracts to the Clearing House on behalf of Members by means of the ICE Clearing Systems.
- (c) Members shall keep daily records of such open positions and shall comply with such reporting requirements as the Exchange or the ARC Committee may from time to time prescribe. The Exchange may request the Clearing House to disclose to the Exchange details of Contracts and open positions of Members.
- (d) Such records shall be maintained for a reasonable period of time (which shall be not less than five years) and shall be open to inspection by the Exchange.
- (e) The provisions of the Rules in F.3 shall be without prejudice to the provisions of the Electronic User Agreement regarding record keeping which shall supplement the Rules in F.3.
- (f) [Not used.]

### **F.4 DEPOSITS AND MARGINS**

Members shall charge (by cash or such other collateral as may from time to time be approved by the Exchange) to clients who are not Members in respect of each Corresponding Contract:

- (a) at least such initial margin, if any, as shall for the time being be prescribed by the Exchange in respect of Products of that kind; and
- (b) such variation margin, if any, as the Exchange shall for the time being determine in respect of Products of that kind;

subject always to such conditions and exceptions as may be specified by the Exchange or by the ARC Committee.

### **F.5 [NOT USED.]**

#### **F.5A EFRPs**

F.5A.1 These Rules shall apply to all EFRPs (including, for the avoidance of doubt, EFRPs entered on ICE Block by an ICE Block Member).

- (a) EFRPs are available in respect of those Products and Contract Months as determined by the Exchange from time to time. Such transactions in such Products are not subject to the Trading Procedures unless specifically referred to.
- (b) Details of the EFRP must be reported to the Exchange in accordance with Trading Procedure 16B or by any other means determined by the Exchange from time to time. The transaction

details specified in Trading Procedure 16B shall be displayed on the ICE Platform and made available during the Trading Day.

- (c) In respect of EFRPs, upon demand by the Exchange, EFRP executing Members must provide satisfactory evidence that the EFRP has been executed in accordance with these Rules and the Trading Procedures.
- (d) EFRPs shall only be registered within price parameters as defined by the Exchange from time to time.
- (e) A decision by the Exchange not to record or accept an EFRP or not to present any EFRP to the Clearing House is final.
- (f) All Members and Persons Subject to the Rules must ensure that, on bringing the transactions on-Exchange, they comply with all applicable Rules.

#### **F.6 TRANSFER OF CONTRACTS**

The Exchange may from time to time make, add to or amend Rules and procedures providing for the transfer of Contracts between the Exchange and/or the Clearing House and another exchange or its clearing house.

#### **F.7 BLOCK TRADES**

- F.7.1
- (a) Block Trades may take place in respect of Products designated by the Exchange from time to time as Products that may be traded as Block Trades pursuant to the Rules.
  - (b) Block Trades may be organised only during such ICE Platform Trading Hours of the Block Trade Contract concerned and on such Trading Days as the Exchange may from time to time prescribe.
  - (c) Any Member is permitted to arrange Block Trades subject only:
    - (i) to the Member's Representative arranging the Block Trade on behalf of the Member, having such individual registration with the Exchange or otherwise as is required by Applicable Laws;
    - (ii) in the case of a Trade Participant, to the Block Trade being in respect of business for his Own Business and the counterparty with whom he arranges the Block Trade being another Member;
    - (iii) to Members having completed such form of registration or enrolment as may be prescribed by the Exchange from time to time;
    - (iv) to ICE Block Members having being approved by the Exchange and completed such form of registration or enrolment as may be prescribed by the Exchange from time to time;
  - (d) Where a General Participant enters into a Block Trade with or on behalf of a client who is not a Member of the Exchange, it must comply with all Applicable Laws, including in relation to suitability and appropriateness.
  - (e) [Not used.]
  - (f) A Member must not disclose the identity of the party to a Block Trade order to potential counterparties unless the Member has previously received that party's permission to do so. Members may disclose the terms of Block Trade orders in furtherance of bilateral negotiations, which may include indicating that the negotiations have ended.
  - (g) Members are not permitted to facilitate the execution of Block Trades on a system or facility which is accessible to multiple participants that allows for the electronic matching or the electronic acceptance of anonymous bids and offers.

**Minimum Volume Thresholds**

- F.7.2 (a) The Minimum Volume Thresholds in respect of each Block Trade Contract that can be traded as a Block Trade shall be determined by the Exchange and published from time to time. A Contract may be subject to one Minimum Volume Threshold for Block Trades which are to be published and separate Minimum Volume Thresholds for Block Trades which are not to be published or for which publication is to be deferred.
- (b) Members are, subject to Rule F.7.1 above, permitted to enter into Block Trades which involve the trading of two or more different Products or Block Trades that involve the trading of two or more different Contract Months of the same Product.
- (c) An order for a Block Trade for two or more Contract Months of the same Product may be matched with Block Trade orders for individual Contract Months provided that each such order meets or exceeds the Minimum Volume Threshold for that Product or combination.
- (d) Applicable requirements relating to Block Trades, and the Minimum Volume Thresholds that apply, shall be determined by the Exchange and published from time to time. A breach of any guidance, policy or procedures published under this Rule F.7.2 relating to Block Trades by a Member or Person Subject to the Rules may constitute a breach of the Rules by such Member or person.

**Aggregation of Lots**

- F.7.3 In respect of Products designated by the Exchange as Block Trade Contracts, Members must not aggregate separate orders in order to meet the Minimum Volume Thresholds.

Members may aggregate separate orders provided each such separate order meets or exceeds the Minimum Volume Threshold for the relevant Product or are received from the same client. Members may also aggregate orders for funds which are operated by the same fund manager and traded by the same fund manager, pursuant to the same strategy.

Likewise Members may not combine separate orders in respect of different Products to generate an inter-contract spread trade, unless each such separate order is for the same client or meets or exceeds the Minimum Volume Threshold for the relevant Product.

In the case of Option Contracts designated as Block Trade Contracts, where a Member receives a Block Trade order which meets or exceeds the relevant minimum volume threshold, he may aggregate orders on the matching side only, in order to facilitate execution of the Block Trade.

- F.7.4 When arranging a Block Trade and, in particular, when aggregating orders on the matching side to facilitate arrangement of a Block Trade in accordance with the Rules, (and in particular with Rule F.7.3) Members must ensure that they act with due skill, care and diligence; and the interests of the client(s) are not prejudiced.

**Price**

- F.7.5 Members shall ensure, when arranging or organising Block Trades, that the price of any Block Trade being quoted represents the Fair Market Value for that trade. On each occasion of quoting a Block Trade price, the Member must, at the time, make it clear to the potential counterparty(ies), whether a Member or a client who is not a Member of the Exchange, that the price being quoted is a Block Trade price and not the prevailing market price.

When determining a Block Trade price, a Member should, in particular, take into account the prevailing price and volume currently available in the Market, the liquidity of the Market and general market conditions, but shall not be obliged to obtain prices from other Members, unless this would be appropriate in the circumstances.

Prices of Block Trades will not be included in the determination or calculation of any Exchange index or settlement price.

**Submission of Details of Block Trades**

F.7.6 Once a Block Trade has been organised the Members must submit the Block Trade details to the Exchange in accordance with Trading Procedure 17.

F.7.7 A decision by the Exchange not to record or accept a Block Trade or not to present details of the Block Trade to the Clearing House is final.

## F.8 POSITION TRANSFERS

F.8.1 (a) Once a Contract arises under the Clearing House Rules, that Contract may not be transferred to another Member's name without the agreement of the Clearing House and unless in accordance with this Rule F.8. Members may transfer positions in accordance with relevant Clearing House processes and the Clearing House Rules in the following instances:

(i) transfers of open Contracts from one Member to another Member made at the request of a client where no change in the underlying position at the client level is involved; or

(ii) transfers of open Contracts from one account to another account on the books of the same Member made at the request of a client where no change in the underlying position at the client level is involved.

(b) Position transfers input in accordance with Rule F.8.1(a)(i)-(ii) above may be submitted on any Trading Day for the Contract Month up until the close of the ICE Clearing Systems or expiry of the relevant Contract Month on the last Trading Day of such Contract Month, subject to guidance from the Exchange.

Position transfers where Rule F.8.1(g)(i)-(iv) below applies may be submitted on any Trading Day for the Contract Month up to five Trading Days before the expiry of the relevant Contract Month, subject to guidance from the Exchange. Requests for such transfers must be provided at least one Trading Day prior to the transfer date.

(c) Position transfers which have the effect of off-setting (closing-out) existing open positions are not permitted in the spot month of a Contract.

(d) Position transfers in Futures Contracts and Option Contracts may be effected at:

(i) the prior day's settlement price; or

(ii) at the original market price,

subject to such approvals from the Clearing House as may be required.

(e) [Not used.]

(f) For all such position transfers, the Member receiving the positions must record the transferred Contracts on its books at either the original dates or the transfer date, in accordance with the price at which the positions were transferred.

(g) Position transfers shall not be permitted if there is any change in the beneficial ownership of the Contracts involved except for the following, at the discretion of the Exchange and on submission of such details as requested by the Exchange:

(i) position transfers made for the purpose of combining the positions held by two or more funds which are operated by the same fund manager and traded by the same fund manager, pursuant to the same strategy, into a single account so long as the transfers do not result in the liquidation of any open positions, and the pro rata allocation of interests in the consolidating account does not result in a significant change in the value of the interest of any fund participant;

(ii) such other position transfer as the Exchange, in its discretion, shall exempt in connection with, or as a result of, a merger, asset purchase, consolidation or similar

non-recurring corporate transaction between two or more entities where one or several entities become the successor in interest of one or several other entities;

- (iii) with the consent of the Member(s) and the approval of the Exchange, the transfer of existing positions between accounts or between Members when the situation so requires and such transfer is in the best interests of the Exchange or the Market; and
- (iv) for purposes of this Rule, a change in beneficial ownership shall not be deemed to have occurred with respect to:
  - (a) position transfers between firms which are 100% owned by the same person; and
  - (b) position transfers between any person and any entity owned 100% by such person.
- (h) The Exchange may review position transfers at any time. When reviewing position transfers, the Exchange may seek further explanations or supporting documentation from Members in order to confirm its understanding of the nature of the transaction. Processing of a position transfer will not preclude the Exchange from instigating disciplinary proceedings in the event that it transpires that the position transfer may have been in contravention of applicable Exchange Rules.
- (i) If a Member who is a Clearing Member is in default with regard to the Clearing House, the Clearing House shall have discretion to transfer any or all of the rights, liabilities and obligations of the Defaulter (as defined in Section D) in respect of any Contract to another Clearing Member without reference to the Exchange.

## **F.9 TRANSACTION REPORTING**

- F.9.1 Each Member acknowledges and agrees that the Exchange shall be authorised to submit the terms of a Contract (and any related Corresponding Contract) to any Repository as a delegate for the Clearing House, Clearing Member and any relevant client, as applicable, save where the relevant Clearing Member notifies the Clearing House or the Exchange in writing that it does not require the Exchange to act as such (whether generally or in respect of particular clients or kinds of Contract).

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**SECTION G - TRADING**

|      |  |
|------|--|
| G.1  | Generally  |
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| G.2A | [Not used.]                                      |
| G.2B | [Not used.]                                      |
| G.2C | [Not used.]                                      |
| G.2D | [Not used.]                                      |
| G.2E | [Not used.]                                      |
| G.2F | Contracts Traded by Members on the ICE Platform  |
| G.3  | Validity of Contracts                            |
| G.4  | Prior Arrangement Prohibited                     |
| G.5  | Orders Given on a Not Held Basis                 |
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| G.7  | Priority of Orders                               |
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| G.10 | Qualification to Trade on the Market             |
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| G.15 | Trading Disputes                                 |
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| G.18 | [Not used.]                                      |
| G.19 | [Not used.]                                      |
| G.20 | Disorderly Trading                               |
| G.21 | ICE Futures Singapore Markers ("Markers")        |
| G.22 | Person of Concern                                |

**G.1 GENERALLY**

Contracts shall be executed on the Market in accordance with this Section G and such procedures as are for the time being prescribed under Rule G.2.

The Exchange shall from time to time determine those Products that shall be traded.

**G.2 EXCHANGE POLICIES AND PROCEDURES**

- (a) The Exchange may from time to time by Circular or other written notice to Members and Persons Subject to the Rules prescribe procedures governing trading on the ICE Platform and the registration of EFRPs, Block Trades and Cross Trades on the Market and other aspects of business conducted on the Market.
- (b) A breach of any policy, guidance document or any procedures prescribed under this Rule G.2 by a Person Subject to the Rules will constitute a breach of the Rules by such person.

**G.2A** [Not used.]

**G.2B** [Not used.]

**G.2C** [Not used.]

**G.2D** [Not used.]

**G.2E** [Not used.]

**G.2F CONTRACTS TRADED BY MEMBERS ON THE ICE PLATFORM**

An order executed or matched on the ICE Platform by, for or following any submission by or on behalf of a Member shall give rise to Contract(s) in accordance with Rule F.1 and Clearing House Rules.

**G.3 VALIDITY OF CONTRACTS**

- (a) To be a valid Contract made on the Market, the Contract must give rise to a Contract under Clearing House Rules that is not void or voided and must be:
  - (i) executed on the ICE Platform only by a registered Responsible Individual using his appropriate ITM; and
  - (ii) executed in accordance with either Rule G.5 or G.6.A; or
  - (iii) expressly authorised by the Exchange in its absolute discretion, pursuant to Trading Procedure 8.5; or
  - (iv) expressly authorised by the Exchange in its absolute discretion.
- (b) Once a bid or offer made on the Market has been accepted in whole or in part, there is no right of withdrawal by the Exchange or a Member, subject to each of: (i) Rule G.15; (ii) any power exercisable by the Exchange pursuant to Section D; (iii) any power exercisable by the Clearing House treating a Contract as void or voided; and (iv) the default rules set out in the Clearing House Rules.
- (c) Acceptance of a bid or offer gives rise to a Contract between the two parties in accordance with the Clearing House Rules and as further described in Rule F.1, subject to each of: (i) Rule G.15; (ii) any power exercisable by the Exchange; and (iii) the Clearing House treating a Contract as void.

**G.4 PRIOR ARRANGEMENT PROHIBITED**

It shall be an offence for a Member or Member's Representatives to prearrange a Contract made or intended to be made on the Market, except a Contract made or to be made under Rule F.5.A or

Rule F.7. It shall also be an offence for a Member or Member Representative to engage in pre-execution communications, except in accordance with the following procedures:

- (a) for the purposes of this Rule, pre-execution communications shall mean communications for the purpose of discerning interest in the execution of a transaction in a Product prior to the terms of an order being submitted to the ICE Platform;
- (b) a Member or Member Representative may engage in pre-execution communications subject to it complying with the following conditions:
  - (i) if a customer order is involved, the customer has previously consented to such communications being made on its behalf;
  - (ii) the details of such communications shall not be disclosed to any person who is not a party to the communications;
  - (iii) no order shall be entered, and no trade shall be executed, to take advantage of information conveyed during such communications, except in accordance with this Rule; and
  - (iv) each order that results from pre-execution communications shall be executed in accordance with Rule G.6A.

## TRADING PRACTICES

### G.5 ORDERS GIVEN ON A NOT HELD BASIS

A Member given an order to work on a not held basis has discretion to work the order in the best interests of the client. The exact terms of this discretion are not prescribed by the Exchange but will be agreed between each Member and its individual clients.

A Member may only work an order on a not held basis when it has specific instructions to do so. Any arrangements to work all of a particular client's orders on a not held basis should be supported by prior agreement. However, irrespective of whether an order is being worked on a not held basis, Members are required to immediately execute the order on the ICE Platform should the order become capable of execution. It shall be an offence to withhold an order which is capable of immediate and full execution for the purpose of soliciting matching business.

### G.6 [NOT USED.]

#### G.6A MATCHING ORDERS

G.6A.1 Without prejudice to the obligations of a Member under Applicable Law, including, without limitation, Regulation 47D of the SF(LCB)R, a Cross Trade is defined either as a single Responsible Individual simultaneously executing matching buy and sell orders for different beneficial account owners, or by separate Responsible Individuals registered with the same Member trading together for different beneficial account owners.

G.6A.2 Pursuant to Rule G.4, any matching orders arising from pre-execution communications or pre-arrangement must be entered to the ICE Platform either:

- (a) by submission to the ICE Platform as a Cross Trade in accordance with this Rule G.6A; or
- (b) by submission as a Block Trade or EFRP where the transaction has been made in accordance with applicable Rules and procedures.

G.6A.2A Matching orders may be submitted to the ICE Platform as Cross Trades through the following methods:

- (a) the Order Book Method – a method by which matching business is entered into the order book as two separate orders; and

- (b) the Crossing Order Method – a method by which matching business is entered into the order book as a single order containing a matching bid and offer.

The Exchange shall designate which methods may be used for each Product or group of Products by Circular.

G.6A.3 Subject to the provisions of this Rule G.6A, once a Member or a Member's Representative has procured matching business through pre-execution communications, the process for the submission of matching orders must be initiated without delay, using the designated method for the Product concerned.

G.6A.4 In relation to matching orders which are submitted to the ICE Platform using the Order Book Method, where no bid and/or offer exists in the Market for the relevant Product, and where Members have matching orders, one side of the order shall be submitted to the ICE Platform without delay (the "**first submission**") and the matching order may only be submitted to the ICE Platform when a period of at least five seconds has elapsed since the first submission. If the matching order is to be submitted, the applicable buy or sell order must be submitted as soon as practicable and in any event no later than thirty seconds after the first order was submitted. Where a Member wishes to match a client order with an order where that Member is acting in a proprietary capacity, it shall enter the client order first and also comply with the requirements under Applicable Law in trading against its client. Where matching orders are both client orders, the Member shall determine which client order to enter first in accordance with Applicable Laws. Such orders may be filled by existing orders.

G.6A.5 A bid and/or offer must not be submitted to the ICE Platform deliberately to circumvent the procedures set out in Rule G.6A.4.

G.6A.6 [Not used.]

G.6A.7 [Not used.]

G.6A.8 [Not used.]

G.6A.9 Where matching orders are to be submitted to the ICE Platform using the Order Book Method, the price of the trade must be representative and must be:

- (a) (i) within the prevailing best bid and offer price on the ICE Platform; or
- (ii) at the best bid or offer where the differential between such best bid and offer is the minimum price movement for the Product concerned (such trade must also meet any applicable minimum volume thresholds which the Exchange may set by Circular from time to time); or
- (b) where a bid but no offer, or an offer but no bid, exists on the ICE Platform, better than such bid or offer as the case may be; and
- (c) in any event, at a price which represents a fair value for the trade.

G.6A.9A In relation to matching orders which are submitted to the ICE Platform using the Crossing Order Method, such orders must be submitted without delay once the terms of the Crossing Order have been agreed. Crossing Orders must contain the quantity and price at which execution is sought and the submitting Member or Member's Representative must not enter an RFQ until the Crossing Order has been activated. Upon receipt by the ICE Platform, the Crossing Order will be time-stamped and will automatically initiate an RFQ, which will be exposed to the market for a prescribed time period before the ICE Platform central processing system seeks to execute the Crossing Order. The prescribed time period shall be five seconds, or such other period as the Exchange may specify by Circular. Immediately following such period, the Crossing Order will be activated, at which point it will be evaluated against other orders in the order book. Matching of orders shall occur through application of the trade matching algorithm for the Product concerned, subject to the over-riding condition that the price of a resultant trade must represent a fair value for such trade.

G.6A.10 A Member or a Responsible Individual may deliberately seek to effect a trade involving two wholly or partially matching orders provided the requirements in these Rules are met.

G.6A.11 Members and Responsible Individuals must ensure that, when executing client business by way of a Cross Trade, they comply fully with relevant Exchange Rules and Applicable Laws, and, in particular:

- (i) they act with due skill, care and diligence and in compliance with any applicable best execution requirements, applicable client order handling rules and the Member's allocation policy;
- (ii) the interests of the client or clients, as the case may be, are not prejudiced;
- (iii) they are in compliance with the terms and conditions applicable between the relevant Member and client; and
- (iv) they are in compliance with Rule C.6.

G.6A.12 The Exchange shall monitor trades made by the Member resulting from the simultaneous entry of bid and offer orders which are not filled by existing orders.

## **G.7 PRIORITY OF ORDERS**

- (a) A Member undertaking Own Business or business on account of any of its Member's Representatives or other persons associated or connected to such persons, as well as on account of other clients, shall always give priority to the orders of such other clients. However, this Rule does not require Members with house or other proprietary orders already entered in the ICE Platform when a client order is received at the same price, to give precedence to that client order.
- (b) The orders of clients must be dealt with fairly and, subject to paragraph (a) above, in their due turn.

## **G.8 DISCLOSURE, WITHDRAWAL AND WITHHOLDING OF ORDERS**

G.8.1 A Person Subject to the Rules must neither withdraw nor withhold a client's order in whole or in part for his own benefit or the benefit of any other person. Nor shall a Person Subject to the Rules procure another Person Subject to the Rules to act in contravention of this Rule G.8.1.

G.8.2 All client orders must be shown in whole or in part to the Market immediately upon receipt subject to Rule G.8.5 below.

G.8.3 A Member or Person Subject to the Rules must not disclose any order to another client or to any other person, unless so requested by the Exchange or other Regulatory Authority or organisation, without first showing the order to the Market in accordance with Rule G.8.2 above.

G.8.4 [Not used.]

G.8.5 In the case of orders to be shown on the ICE Platform:

- (a) All orders must be entered into the ICE Platform in full (but not necessarily shown in full) upon receipt by the Member and designated as active unless:
  - (i) the order gives the Member discretion as to the time when the order is to be displayed on the ICE Platform, in which case such order must be entered immediately into the ICE Platform in full but can be designated as inactive until the Member exercises its discretion as to when the order must immediately be shown on the ICE Platform by being designated active;
  - (ii) the Member has discretion to vary the price of the order, in which case such order must be entered immediately in full and designated active for the base price. When the Member exercises its discretion in relation to the change, the order must be amended immediately;
  - (iii) the order is subject to a condition which requires the Member to withhold the order in line with the client's requirements, in which case the order must be entered

immediately in full but can be designated inactive until the condition is met when it must immediately be shown on the ICE Platform by being made active;

- (iv) the client has given the Member instructions to work an order on a not held basis.
- (b) Any order designated active in the ICE Platform must be entered to show at least the minimum quantity as determined by the Exchange from time to time.
- (c) A Member may only disclose any order to other clients once all or part of the order has been displayed on the ICE Platform in accordance with Rule G.8.2 unless the order is being worked on a not held basis.

#### **G.9 ABUSE OF ORDERS**

- (a) A Member must not take advantage of a client's order for its own benefit, the benefit of another Member or the benefit of any Member's Representative, whether by trading ahead of the client's order or otherwise.
- (b) A Member shall not be taken as having taken advantage of a client's order merely because it executes a Cross Trade in accordance with the provisions of this Section G.

#### **TRADERS**

#### **G.10 QUALIFICATION TO TRADE ON THE MARKET**

- (a) A person wishing to register as a Responsible Individual with the Exchange for the purpose of conducting Exchange business on the ICE Platform must be a person employed by or representing a Member who has permission to access the ICE Platform pursuant to Rule B.6.
- (b) Before the Exchange will register a person as a Responsible Individual, a person intending to be a Responsible Individual must attend and complete such training course in the use of the ICE Platform, and pass such written or practical examination or assessment as is for the time being prescribed under this Rule by the Exchange.
- (c) A Member must first register a person with the MAS as an appointed representative (or otherwise comply with Section 99B of the SFA) or with such other individual registration as is required by Applicable Laws if that person is to arrange Block Trades or EFRPs, as applicable.

#### **G.11 LIMITATION ON MEMBERS' TRADING STAFF**

- (a) A General Participant or Trade Participant may register any number of Responsible Individuals for the purpose of trading on the ICE Platform without limitation on the number of Responsible Individuals who may have access to the ICE Platform at any one time, subject to the requirements of Rule B.11 and the Rules generally.

#### **G.12 [NOT USED.]**

#### **G.13 PRICE LIMITS**

##### **G.13.1 [Not used.]**

##### **G.13.2 For a Product trading on the ICE Platform:**

- (a) The Exchange may implement procedures to establish the maximum price fluctuations on the Market in respect of each Product, and to provide for any consequential restriction or suspension of business.
- (b) The absence of such procedures shall not prevent the exercise of any other power under the Rules to curtail or suspend trading on the Market.

**G.14 EMERGENCY CLOSURES**

- (a) Trading on the Market may be temporarily suspended by the Exchange in the event of a fire alert, bomb scare or other alarm or in such other event, which in the opinion of the Exchange makes suspension of trading necessary in the interests of the Exchange, or its Members, or is needed in order to maintain a fair and orderly market. Trading will be resumed as soon as reasonably practicable following any such interruption.
- (b) The Exchange may declare that trading on the ICE Platform has been suspended and will remain so until all the consequences of such an event have been remedied to their satisfaction. If, as a result of action under (a) above, trading in respect of any Product may not be resumed before the end of the trading session, or at a time which, in the opinion of the Exchange, would leave sufficient time before the end of the trading session as would allow the determination of a representative settlement price, the Exchange will either:
  - (i) declare the trading session suspended and determine the settlement prices; or
  - (ii) declare that trading continue pursuant to alternative trading arrangements, as appropriate. Notification of alternative trading arrangements will be made by way of Circular, notice or such other means of communication as the Exchange sees fit.

**G.15 TRADING DISPUTES**

If the price of a Matched Transaction or Contract (for the purposes of this Rule G.15, the "trade") made, or alleged to be made, on the ICE Platform is the subject of a dispute on the day of trade, then the market participant (who need not be a Member or party to such trade) who disputes the price of such trade shall notify the Exchange within such period of time as the Exchange may specify.

Once notified, the Exchange may, in its absolute discretion, apply or vary procedures pursuant to Trading Procedure 11 to determine whether the price of such trade is unrepresentative.

The Exchange may investigate any trade which has been cancelled or where the price of such trade is adjusted due to the determination of the Exchange that it was executed at an unrepresentative price.

If a trade made, or alleged to be made on the ICE Platform, is disputed on the day of trade on the basis that it may have been made in breach of the Rules, then the market participant (who need not be a Member or party to such trade) who disputes the validity of the trade, shall notify the Exchange within such period of time as the Exchange may specify.

Once notified, the Exchange may, in its absolute discretion, make such enquiries in accordance with Rule C.12 to determine the validity of the trade.

**G.16 ORDER RECEIPT AND ORDER ENTRY RECORDS**

- (a) Where client orders are not submitted to the ICE Platform immediately, at any Member location, into an order routing system or Front End Application, all such orders must be recorded immediately when they reach the Member either on an order slip and, time-stamped on a time-stamping machine unique to each Member, or entered into an electronic order system which must record the time of such entry.
- (b) Additionally in the case of an order for a Block Trade or EFRP and Contingent Agreements to Trade, the time that the verbal agreement of the terms of the relevant transaction is reached and the person reaching such agreement on behalf of the Member must also be recorded in such a manner immediately upon such agreement.

All Members are required to have a time-stamping machine or electronic order recorder, or have access to an order routing system or a Front End Application at all locations where orders are received.

- (c) If an order is to be transmitted to another location or locations before being shown to the Market, a further order slip must be completed and time-stamped or a further electronic record made for each location.

- (d) In the case where orders are submitted through an order routing system or a Front End Application, Members must ensure that there is an adequate audit trail of submission of orders to the Trading Server and that their systems arrangements meet the Exchange requirements for orders and that their Front End Applications meet the Exchange's (or its affiliate's) Front End Application Conformance Criteria.
- (e) Members must ensure that all trade and transaction records include such information required by the Exchange which, at a minimum, must include all information under Trading Procedure 3.1.2 and be in accordance with Rule F.3.
- (f) The Exchange may from time to time prescribe additional information that may be required to be recorded on order and trade records. Members must ensure that all such required information is recorded and provided in accordance with the relevant provisions in the Rules.

### **G.17 OPEN INTEREST**

G.17.1 A Member's open interest in any Exchange Future or series of an Option, is the number of lots, long or short, which the Member holds either for its Own Business or on behalf of clients which will either be:

- (a) offset by trading out in the Market;
- (b) in the case of Options, exercised or held to expiry;
- (c) in the case of Futures, offset by the exercise of a relevant Option; or
- (d) taken to delivery or cash settlement.

G.17.2 The open interest figures published daily by the Exchange are calculated on the basis of the number of Contracts held by Members which remain open.

G.17.3 Members' positions are maintained in sub-accounts as set out in the Clearing House Rules.

G.17.4 (a) Open interest at the close of business on a Trading Day for each sub-account will be calculated using the method set out above after a cut-off time on the subsequent Trading Day, and will include any settlements and position adjustments carried out before the cut-off time. The cut-off time will be notified by the Exchange to Members from time to time.

(b) In respect of certain Products notified to Members by the Exchange from time to time the Exchange will calculate an indicative 'open interest' figure on the last Trading Day of each Contract Month in respect of the expiring Contract Month. Such indicative open interest figure will be calculated on the basis of the number of contracts held by Members at the close of business on the last Trading Day in such Contract Month.

(c) In respect of such Products notified to Members under Rule G.17.4(b) Members will be permitted to perform settlements and position adjustments in respect of positions in the expiring Contract Month after the cessation of trading in such Contract Month up to the last Trading Day cut-off time, which will be as notified by the Exchange to Members from time to time. Members must ensure that positions in the expiring Contract Month which should not be maintained gross in accordance with Rule G.17.5 are settled on the last Trading Day of the expiring Contract Month prior to the last Trading Day cut-off time.

G.17.5 In cases where clients, including certain in-house departments, hold both long and short positions, Members will need to determine, in accordance with Applicable Law or otherwise, whether these should be maintained gross or whether, or to what extent, they should be netted or otherwise closed out.

G.17.6 Once positions have been netted or otherwise closed out, they may not subsequently be re-opened by Members themselves other than by trading in the Market, except that Members wishing to re-open positions in order to effect deliveries on behalf of clients or otherwise may apply to the Exchange for permission to do so.

**G.18** [NOT USED.]

**G.19** [NOT USED.]

**G.20 DISORDERLY TRADING**

It shall be an offence for a Responsible Individual or Member to engage in disorderly trading whether by high or low ticking, aggressive bidding or offering, or otherwise.

**G.21 ICE FUTURES SINGAPORE MARKERS ("MARKERS")**

G.21.1 The Exchange shall determine from time to time those Products and Contract Months which may be published as tradable and/or non-tradable Markers.

G.21.2 Members may execute trades in the tradable Markers daily, during the trading hours as determined by the Exchange from time to time.

G.21.3 Bids and offers in Markers are displayed in the ICE Platform with a price of zero representing the relevant Marker price. For those Products and Contract Months where it is permitted to trade at a premium or discount to the Marker price, the price of such Markers will be prefixed by a plus or minus sign as appropriate. For example, trades in a Marker at +1 cent will be at a premium of 1 cent to the Marker price for that specific Marker while those executed at -1 cent will be at a discount of 1 cent to the Marker price.

G.21.4 Markers will appear in the ICE Systems with the previous Trading Day's Marker price as representing the relevant Marker price for that Trading Day. This price will be replaced with the Marker price as determined by Exchange staff in accordance with Trading Procedures 2.4.12 – 2.4.19, and published daily.

G.21.5 The Exchange may, in its absolute discretion, vary the means of calculation of the Marker prices or exclude trades from the calculation of the marker price if the Exchange feels it is in the best interests of the Exchange to do so.

**G.22 PERSON OF CONCERN**

G.22.1 Notwithstanding any other provision of the Rules, the Exchange may take any of the actions described in Rule G.22.2 in relation to any person who is not a Person Subject to the Rules (such person being a "Person of Concern") in circumstances where the Exchange considers such action to be necessary (i) to protect the interests of the Exchange or its Members, (ii) to ensure an orderly market, or (iii) to ensure the Exchange's compliance with Applicable Law. Such circumstances will include, without limitation, where:

- (a) the Exchange suspects that a Person of Concern is, may be, has been or may have been, involved in conduct that would contravene Rule E.2.1, Rule E.2.2, Rule E.2.2A, or E.2.3 had they been a Person Subject to the Rules; or
- (b) the Exchange suspects that a Person of Concern is, may be, has been or may have been, in breach of or subject to any Applicable Law or regulation executing a foreign policy, security, sanction, trade embargo, boycott, export control, foreign trade control, non-proliferation or anti-terrorism objective or similar restrictions on any business with a particular jurisdiction, certain types of business or activity or specified person that is imposed, administered, or enforced from time to time by any (i) national, federal, supranational, state, regional, provincial, local or other government, (ii) government department, ministry, governmental or administrative authority, (iii) regulator, (iv) agency, (v) commission, (vi) secretary of state, (vii) minister, (viii) head of state, (ix) any other person exercising judicial, executive, interpretative, enforcement, regulatory, investigative, fiscal, taxing or legislative powers or authority or (x) any of their successors; or
- (c) the Exchange suspects that a Person of Concern is, may be, has been or may have been, in breach of any Applicable Law or regulation relevant to the use by such Person of Concern of the trading facilities of the Exchange; or

- (d) the Exchange suspects that a Person of Concern is, may be, has been or may have been, involved in conduct which may, in the opinion of the Exchange, cause the Exchange to be in breach of any Applicable Law or regulation; or
- (e) the Exchange suspects that a Person of Concern is, or may be, assisting or has, or may have, assisted any other person in connection with any of the circumstances set out in (a), (b), (c) or (d) above; or
- (f) a Person of Concern fails to cooperate with any process initiated by the Exchange to determine whether such Person of Concern is, or has been, involved in any conduct of the nature described in (a) to (e) above (including without limitation any failure to promptly provide any relevant information requested by the Exchange in connection with any such process).

G.22.2 The actions that may be taken by the Exchange are:

- (a) suspending or terminating the Person of Concern's access to the trading facilities of the Exchange, or directing a Person Subject to the Rules to suspend or terminate such access; or
- (b) directing any Person Subject to the Rules to reduce or close any positions held by, or on behalf of, the Person of Concern prior to any suspension or termination under (a) taking effect; or
- (c) directing any Person Subject to the Rules to provide to the Exchange relevant information regarding the Person of Concern that the Exchange may request in connection with any matters described in Rule G.22.1; or
- (d) any other action as the Exchange deems necessary to mitigate the potential impact of such Person of Concern on the Exchange or its Members.

### SECTION H - ARBITRATION

- H.1 Arbitration of Disputes between Members or between a Member and the Clearing House
- H.2 Arbitration of Exchange Disputes between Member(s) and the Exchange

**H.1 ARBITRATION OF DISPUTES BETWEEN MEMBERS OR BETWEEN A MEMBER AND THE CLEARING HOUSE****H.1.1 SCOPE**

A dispute arising out of or in relation to any Contract between two or more Members or between a Member and the Clearing House, including any question regarding the existence, validity or termination of such Contract and any other dispute set out in these Rules or the ICE Futures Singapore Contract Terms and Procedures referenced as being subject to resolution in accordance with this Section H (a "**Dispute**") shall be referred for final and binding resolution by arbitration in Singapore in accordance with the following provisions of this Rule H.1.

This Rule H.1:

- (a) shall not apply to any Dispute between: (i) a Member and any of its clients; and (ii) a Clearing Member and any of its clients;
- (b) shall not apply to any Dispute which is required to be settled by a Delivery Panel in accordance with Rule I.20;
- (c) shall not apply to any Dispute of a Member or other third party against the Exchange; which Dispute shall be settled in accordance with Rule C.9.4 and the Complaint Resolution Procedures, provided such Dispute constitutes an 'eligible complaint' as defined therein;
- (d) shall not apply to any Dispute between one or more Members and the Exchange that is not settled in accordance with Rule C.9.4 and the Complaint Resolution Procedures, or which otherwise is or is required to be settled in accordance with Rule H.2; and
- (e) is not intended to extend to Disputes which, under these Rules or the ICE Futures Contract Terms and Procedures, are expressly required to be resolved under the rules of another body or are required to be so handled under Applicable Laws.

**H.1.2 ROLE OF THE CLEARING HOUSE**

- (a) In the event that the Clearing House is a party to one or more Disputes under this Rule H.1, each of which arises under one or more Contracts, the Clearing House may: (i) in the case of a Dispute as to whether a Contract is valid or void (or other similar Disputes), match the relevant Contract with the corresponding Contract which arose (or was purported to arise) from the same Matched Transaction; or (ii) in the case of a Dispute relating to a delivery, where a Buyer under a Contract has been matched by the Clearing House with a Seller under another Contract for the purposes of making delivery between them in satisfaction of delivery obligations to or of the Clearing House, match such underlying Contracts. In respect of a Dispute which reference to arbitration has been made under this Rule H.1 where the Clearing House has matched a pair of Contracts in accordance with this Rule H.1.2, a party to such Dispute may:
  - (i) in the case of a Dispute between the Clearing House and a Buyer, request the joinder of the Seller under the matched Contract;
  - (ii) in the case of a Dispute between the Clearing House and a Seller, request the joinder of the Buyer under the matched Contract or;
  - (iii) in the case that the Clearing House is a party to two or more such Disputes, to which a Buyer and a Seller are parties, request the consolidation of such Disputes before the Arbitration Panel first constituted.

Such request for joinder under paragraph (i) or (ii) shall be decided by the Arbitration Panel constituted to decide the Dispute for which the request for joinder is made, having regard to all the circumstances of the case.

Such request for consolidation under paragraph (iii) shall be decided by the Exchange, in the event that an Arbitration Panel has not yet been constituted, or where one or more Arbitration

Panels have already been constituted, by the Arbitration Panel appointed in the arbitration first commenced, having regard to all the circumstances of the case.

- (b) In any Dispute under this Rule H.1 to which the Clearing House, a Buyer and a Seller are parties (whether by operation of paragraph (a) or otherwise) and which arises under one or more Contracts which have been matched by the Clearing House in accordance with Rule H.1.2(a) and in respect of which reference to arbitration has been made under this Rule H.1, the Clearing House may elect to call upon a Seller and a Buyer to conduct such Dispute between them in accordance with the following provisions:
- (i) the Clearing House shall give notice in writing of such election to the Buyer, the Seller and the Exchange;
  - (ii) the Seller and the Buyer shall, at their own expense, each argue the Clearing House's case against the other, subject to the provisions of this Rule;
  - (iii) copies of all pleadings, correspondence and documents shall be given to the Clearing House and the Clearing House shall be entitled to submit any additional arguments to the Arbitration Panel (as defined in Rule H.1.3) in support of its own case, in which case it shall supply copies of such submissions to the Seller and the Buyer;
  - (iv) the Arbitration Panel shall have the power to call upon the Clearing House to disclose documents which are in its custody, power or possession relating to the arbitration to the same extent as the other parties to the arbitration; and
  - (v) the Arbitration Panel shall in its award determine the rights of each of the Seller, the Buyer and the Clearing House in respect of the relevant transactions. If the Clearing House is found liable to one party in respect of a breach of a Contract and the other party is also found liable to the Clearing House in respect of the same breach of a Contract which has been matched by the Clearing House as mentioned in paragraph (a) above, then the liability of the Clearing House shall be deemed to be a foreseeable consequence of that breach and the Clearing House shall be entitled to be indemnified by the other party in respect of such liability.
- (c) The Clearing House shall be bound by an arbitration award made against it in pursuance of an arbitration conducted pursuant to this Rule H.1, whether it participates in the arbitration or not.

### H.1.3 APPOINTMENT AND CONSTITUTION OF ARBITRATION PANEL

- (a) Any party to a Dispute may refer such Dispute to arbitration after giving four clear Trading Days' notice in writing of his intention to do so to the other party or parties and to the Exchange. Where the parties are situated in different countries such notices shall be given by cable, telex or facsimile transmission or otherwise by the most expeditious means of written communication available.
- (i) Upon a reference to arbitration under this Rule, the Exchange shall appoint an arbitration panel consisting of representatives of three Members and designate one such representative as the chairman (the "**Arbitration Panel**"), within seven clear Trading Days of the reference to arbitration.
  - (ii) Not more than one member on the Arbitration Panel shall be a Director. No member of the Arbitration Panel shall act in any arbitration in which he, or a Member which he represents, is or becomes directly or indirectly interested in the subject matter in dispute.
- (b) The Arbitration Panel shall have authority to determine the Dispute in accordance with this Rule H.1 notwithstanding any failure or refusal of the other party to concur in the reference unless the Exchange determines that another arbitration tribunal has jurisdiction over the Dispute and that the Dispute shall be referred to that tribunal.

- (c) In the event of a member of the Arbitration Panel being or becoming so interested, dying or in any other way being or becoming, in the opinion of the Exchange, unable to act, the Exchange may revoke the appointment of such member and appoint as soon as practicable another person of the same class (i.e. a person who is or is not one of the Directors, as the case may be) to take his place and the arbitration shall thereupon proceed as if such other person had been originally appointed in lieu of the first-mentioned person.
- (d) In the event of disagreement between the members of the Arbitration Panel, the decision of the majority shall prevail and in the event of an equality of votes the chairman shall have a second or casting vote.
- (e) The award shall state the reasons of the Arbitration Panel and a note thereof shall be entered by the Exchange in a book to be kept for that purpose.
- (f) The award of the Arbitration Panel shall be signed by its chairman, and when so signed shall be final and binding in all cases. Judgment upon the award may be entered or the award enforced through any other procedure in any court of competent jurisdiction.

#### H.1.4 ARBITRATION PROCEDURE

- (a) The party (or parties) referring any Dispute to arbitration under this Rule H.1 (including any Seller or Buyer required to participate in such arbitration pursuant to Rule H.1.2, as appropriate, the "**Claimant**") shall communicate its statement of claim in writing to the other party or parties to the Dispute (the "**Respondent**"), together with a copy of the Contract and the evidence on which he intends to rely, and provide a copy of the same to the Exchange and Arbitration Panel within 14 clear Trading Days of the reference to arbitration (or the election referred to in Rule H.1.2(b)(i), where applicable).
- (b) The Respondent shall, not later than 22 clear Trading Days after the receipt of the Claimant's statement of case and copy Contract and said evidence, if any, communicate its statement of defence in writing to the Claimant, together with a copy of such other evidence on which he intends to rely, and provide a copy of the same to the Exchange and Arbitration Panel.
- (c) The Claimant may, not later than 15 clear Trading Days after the receipt of the Respondent's statement of defence and said evidence, if any, communicate its statement of reply together with any further evidence on which he intends to rely to the Respondent and provide a copy of the same to the Exchange and Arbitration Panel.
- (d) No further document stating the claim of one party against the other or the answer to any claim shall be admitted in the arbitration without the express prior consent of the Arbitration Panel, which may determine any application for such consent in its absolute discretion.
- (e) Notwithstanding the foregoing, the Arbitration Panel shall be entitled to require either party to the Dispute to provide such documents or information in written form as the Arbitration Panel may in its absolute discretion consider necessary to enable it to determine the Dispute. Subject to compliance with any such requirement the Arbitration Panel shall determine the Dispute and shall issue its award within 3 months of the date of the reference to arbitration.
- (f) In the event of either party failing to comply with any time limit prescribed by this Rule H.1.4 or prescribed by the Arbitration Panel pursuant to this Rule H.1.4, the Arbitration Panel shall be entitled to proceed to determine the Dispute notwithstanding such failure.
- (g) Each party to the Dispute shall inform the Arbitration Panel whether it requests a *viva voce* hearing with or without the attendance of witnesses not later than 14 clear Trading Days after the communication of the statement of defence in accordance with paragraph (b) above. After considering the parties' views, the Arbitration Panel shall in its discretion determine whether to hold a *viva voce* hearing with or without the attendance of witnesses or whether to decide the case on a documents only basis.
- (h) The Arbitration Panel shall conduct the arbitration in accordance with these Rules. To the extent that any matters are not covered by these Rules, the Arbitration Panel shall have the

power to determine such matters as it considers appropriate to ensure the fair, expeditious, economical and final determination of the Dispute and the enforceability of any award.

- (i) In all cases the Arbitration Panel shall act fairly and impartially and shall ensure that each party has a reasonable opportunity to present its case.
- (j) The Arbitration Panel shall determine any disputes as to its jurisdiction.
- (k) The Arbitration Panel shall have the power to obtain and receive oral and documentary evidence and to decide in its discretion on the admissibility and weight of any such evidence, including whether to apply strict rules of evidence.
- (l) The Arbitration Panel shall not assume the powers of *amiable compositeur* or decide the Dispute *ex aequo et bono* unless the parties to the Dispute have agreed to grant it such powers.
- (m) The Arbitration Panel may, on such terms as it thinks fit, extend the period within which either it, the Exchange or a party to the Dispute is required, by this Rule H.1 or by any order or direction made or given by the Arbitration Panel, to complete (or "commit" or "perform") any act notwithstanding that the said period may have expired.
- (n) Should a reference to arbitration under this Rule H.1 be withdrawn by any party to the reference, the Exchange or the Arbitration Panel shall be entitled to require payment by any party to the reference of their fees, expenses and costs in connection with the arbitration.

#### **H.1.5 NO OTHER LEGAL PROCEEDINGS**

No party to a Contract or alleged Contract and no other person claiming under any such party, shall bring any claim against any other such party in respect of any Dispute which is required to be referred to arbitration pursuant to this Rule H.1 or otherwise resolved as provided by the Rules.

#### **H.1.6 REGISTRATION FEE**

A registration fee of SGD 200 for Members (or such other sums as the Exchange may from time to time prescribe) shall be paid to the Exchange upon each reference of a dispute to arbitration by the Claimant. The registration fee is not returnable under any circumstances.

#### **H.1.7 DEPOSIT**

The Claimant shall deposit with the Exchange the sum of SGD 2,000 (or such other sum as the Exchange may from time to time prescribe by Circular) on account of the Exchange's and the Arbitration Panel's fees and expenses in connection with the arbitration. The Arbitration Panel may in its absolute discretion call from time to time for further sums to be deposited by either party on account of such fees and expenses. In the event of failure to make any such deposit as aforesaid the Arbitration Panel may, notwithstanding anything contained in this Rule H.1, postpone or discontinue the arbitration proceedings.

#### **H.1.8 APPLICATION OF DEPOSIT**

Any sum deposited in accordance with Rule H.1.7 shall be applied towards payment of the total fees and expenses of the Exchange and the Arbitration Panel without prejudice to the incidence of liability therefor as between the parties to the dispute under the award of the Arbitration Panel or Rule H.1.11 below. Any balance of such sums shall thereafter be returned to the depositor in such proportions as the Arbitration Panel in its absolute discretion sees fit.

#### **H.1.9 FAILURE TO PARTICIPATE**

If any party refuses or fails to refer or participate in the reference of any Dispute to arbitration where required in accordance with this Section H (whether or not any other party to the dispute is a Member) or refuses or fails to perform any award of the Arbitration Panel, he shall be deemed to have infringed this Rule H.1.9 and be subject to disciplinary proceedings accordingly.

**H.1.10 SUSPENSION**

The fact of a Member being suspended or expelled shall not affect the rights of any person to arbitration under this Rule H in respect of any Contract entered or allegedly entered into by the Member.

**H.1.11 COST OF ARBITRATION**

The total amount of the costs of the arbitration shall be fixed by the Arbitration Panel in its discretion. Such costs shall be borne by the losing party unless otherwise specified by the Arbitration Panel.

**H.1.12 ARBITRATION AWARD**

- (a) The award shall be sent by the Arbitration Panel to the Exchange as soon as reasonably practicable. Upon receipt thereof the Exchange shall invite each party in writing to take up the award, stating the sum payable under paragraph (b) below.
- (b) Either party may take up the award by sending to the Exchange written notice of his wish to do so accompanied by a cheque or draft, payable to the Exchange, for the sum of the fees and expenses mentioned in Rule H.1.11, less the aggregate of sums deposited with the Exchange under Rule H.1.7; provided that where one party has taken up the award the other may not do so unless the first party's cheque or draft shall fail to be paid. The Exchange shall receive such payment for the persons entitled to the said fees and expenses under the award or this Rule H.
- (c) Upon the taking up of the award, and payment of the cheque or draft mentioned in paragraph (b) above, the Exchange shall send the award to the party taking it up and a copy thereof to the other party. Liability for payment of the fees and expenses shall be settled between the parties in accordance with the award.
- (d) In the event that neither party shall take up the award within four weeks from the date on which the Exchange shall have invited them to do so, the Exchange may, on behalf of the persons thereto entitled under the award or this Rule H.1, recover payment of the sum payable under paragraph (b) above from the party who made the reference to arbitration.

**H.1.13 GOVERNING LAW**

For the purpose of all proceedings pursuant to this Rule H.1 by arbitration or otherwise, any Contract shall be deemed to have been made in Singapore, any correspondence in reference to the offer, the acceptance, the place of payment or otherwise notwithstanding, and Singapore shall be regarded as the place of performance. Disputes shall be settled according to the law of Singapore whatever the domicile, residence, or place of business of the parties to the Contract may be or become.

**H.1.14 SERVICE OF NOTICES**

Any notice or other document which is to be served on or delivered to any party in connection with an arbitration under this Rule H may be sent by prepaid post to the usual or last known address or place of business of that party and shall be deemed to have been received on the day it is delivered. Notices may also be served by telex, cable, facsimile transmission or any other means of reproducing words in visible form.

**H.1.15 APPLICABILITY OF RULES**

The version of this Section H applying to any dispute referred to arbitration pursuant to this Rule H.1 shall be that operative at the time of the reference.

**H.1.16 DISCLOSURE OF AWARD**

The Arbitration Panel may recommend to the Exchange that any matter coming to its attention in the course of an arbitration should be the subject of an investigation or disciplinary proceedings. The Arbitration Panel may accordingly disclose such of its award and the statements and evidence presented to it as it thinks fit for this purpose. Such recommendation shall not, however, normally be made until after the Arbitration Panel has made its award.

**H.2 ARBITRATION OF EXCHANGE DISPUTES BETWEEN MEMBER(S) AND THE EXCHANGE**

- H.2.1 Any dispute, difference, controversy or claim (of any and every kind or type, whether based on contract, tort, statute, regulation, or otherwise) arising out of, in relation to, or in connection with these Rules, the ICE Futures Contract Terms and Procedures, the Electronic User Agreement, or any Contract, including any dispute as to the existence, construction, validity, interpretation, enforceability, termination or breach of these Rules, the ICE Futures Contract Terms and Procedures, the Electronic User Agreement or any Contract, between one or more Members and the Exchange (an "**Exchange Dispute**") subject to any dispute resolution procedure set out in these Rules, the ICE Futures Contract Terms and Procedures, the Complaint Resolution Procedures (a "**Resolution Process**") shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the Singapore International Arbitration Centre (the "**SIAC Rules**") for the time being in force, which rules are deemed to be incorporated by reference into this Rule H.2. No Exchange Dispute may be so referred to arbitration pursuant to this Rule H.2 where any award in respect of such Exchange Dispute referred to a Resolution Process has been issued and is final and binding pursuant to the terms of such Resolution Process. In the event of a conflict between any provision of a Resolution Process and the terms of this Rule H.2, the terms of such Resolution Process shall prevail. In the event of a conflict between any provision of the SIAC Rules and this Rule H.2, this Rule H.2 shall prevail.
- H.2.2 The seat of arbitration will be Singapore and the language of the arbitration proceedings shall be English.
- H.2.3 The tribunal will comprise three arbitrators appointed in accordance with the SIAC Rules. Tribunal members shall not be current or former employees or directors of any Member that is a party to the arbitration, current or former employees of the Exchange or any persons with a material interest or conflict of interest in the outcome of the Exchange Dispute.
- H.2.4 The tribunal shall have the power on the application of any party to an existing arbitration, to require one or more Members to be joined to an existing arbitration. Each Member agrees that it may be joined as an additional party to an arbitration involving the Exchange and another Member.
- H.2.5 If more than one arbitration is begun under this Rule H.2 or a Resolution Process, whether between different parties or pursuant to two different agreements or documents, and the Exchange or a Member, being a party to such arbitrations, serves notice upon the tribunals concerned that it believes two or more arbitrations are substantially related and that the issues should be heard in one set of proceedings, the tribunal appointed in the first-filed of such proceedings shall have the power to determine whether, in the interests of justice and efficiency, the proceedings should be consolidated and heard together before that tribunal. For the avoidance of doubt, such consolidation shall occur where the Exchange is not involved in such arbitrations in any capacity other than as a party to the relevant dispute.
- H.2.6 In the case of such joinder or consolidation, the tribunal shall make a single, final award determining all Exchange Disputes between the relevant parties in those proceedings. Each Member and the Exchange irrevocably waives any right to challenge any award or order of any tribunal by reason of the fact that it arises from a joined or consolidated arbitration. Each Member and the Exchange hereby irrevocably waives any right to challenge any award or order of any tribunal appointed under the Electronic User Agreement by reason of the fact that it arises from a consolidated arbitration.
- H.2.7 The award of the tribunal will be final and binding on the parties thereto from the day it is made. Judgment upon the award may be entered or the award may be enforced, through any other procedure in any court of competent jurisdiction.
- H.2.8 The provisions of this Rule H.2 may not be varied by any Member or Members, save where each Member that is a party to the Exchange Dispute or arbitration proceedings, and the Exchange agree in express written terms.
- H.2.9 The commencement of any arbitral proceedings shall be without prejudice to and shall not limit in any way the right of the Exchange to instigate any breaches of these Rules or impose any other sanction under these Rules, including in accordance with Sections C, D and E.
- H.2.10 Each Member that now or hereafter has a right to claim sovereign immunity from suit or sovereign immunity from enforcement for itself or any of its assets shall be deemed to have waived any such

immunity to the fullest extent permitted by Applicable Laws. Such waiver shall apply in respect of any immunity from:

- (i) any proceedings commenced pursuant to this Section H;
- (ii) any judicial, administrative or other proceedings to aid an arbitration commenced pursuant to this Section H; and
- (iii) any effort to confirm, enforce, or execute any decision, settlement, award, judgment, service of process, execution order or attachment (including pre-judgment attachment) that results from any judicial or administrative proceedings commenced pursuant to this Section H.

H.2.11 The rights and obligations of a Member under the Rules and in relation to any Contract are of a commercial and not a governmental nature.

H.2.12 No Member shall raise or in any way whatsoever assert a defence of sovereign immunity in relation to any claim or enforcement proceedings arising from a Dispute or Exchange Dispute.

H.2.13 Any arbitration or reference to arbitration made under this Rule H.2 shall be deemed to be an arbitration or reference under the International Arbitration Act 1994.

**SECTION I - GENERAL PROVISIONS ON CONTRACTS**

|      |  |
|------|--|
| I.1  | Procedures   |
| I.2  | [Not used.]  |
| I.3  | Contract Months and Contract Dates   |
| I.4  | Headings   |
| I.5  | War or Government Intervention   |
| I.6  | New Legislation  |
| I.7  | Arbitration  |
| I.8  | Law and Jurisdiction   |
| I.9  | Contract Security  |
| I.10 | Exchange Monitoring  |
| I.11 | Exchange Powers  |
| I.12 | Settlement to Market   |
| I.13 | Final Settlement Price for Cash Settled Currency Futures Contracts               |
| I.14 | Application of General Rules   |
| I.15 | Further Amendment of Contract Terms  |
| I.16 | Regulatory Functions   |
| I.17 | Trade Emergency Panel  |
| I.18 | Definitions and Interpretation   |
| I.19 | Non-performance  |
| I.20 | Delivery Panel   |
| I.21 | Appeals Procedure  |
| I.22 | Publication of a Determination   |
| I.23 | Environmental Compliance and Liability   |
| I.24 | [Not used.]  |
| I.25 | [Not used.]  |
| I.26 | PRIIPS Restrictions; In relation to European Economic Area retail customers only |

**I.1 PROCEDURES**

All Contracts shall be subject to such Contract Procedures as may from time to time be adopted by the Exchange, provided always that, if any conflict between the Contract Procedures and the Contract Terms shall arise, the provisions of the Contract Terms shall prevail and provided further that no Contract Procedure shall be adopted other than for the regulation of administrative matters affecting Contracts (which shall include, without limitation, all such matters as are regulated by the Contract Procedures first adopted with this Rule). The Exchange may at its discretion at any time revoke, alter or add to the Contract Procedures and any such amendment shall be circulated to the Members and shall have such effect on existing as well as new Contracts as the Exchange may direct.

**I.2 [NOT USED.]****I.3 CONTRACT MONTHS OR CONTRACT DATES**

Trading shall be permitted in respect of such spot and forward months ("**Contract Months**") or spot and forward dates ("**Contract Dates**") in a particular Product as the Exchange shall determine from time to time, including such groups of contract months and groups of contracts dates as determined by the Exchange from time to time.

**I.4 HEADINGS**

The construction of this Section I shall not be affected by the headings thereto which are included for convenience only.

**I.5 WAR OR GOVERNMENT INTERVENTION**

I.5.1 If the Exchange, after consultation with the Clearing House, determines in its absolute discretion that one of the following conditions is satisfied:

- (a) a state of war exists or is imminent or threatened and is likely to affect the normal course of business;
- (b) a government of any nation, state or territory, or any alliance of government, or any institution of such government or alliance, has proclaimed or given notice of its intention to exercise controls which appear likely to affect the normal course of business; or
- (c) the Association of Southeast Asian Nations, the European Union or a similar supranational or multinational institution thereof has introduced, varied, terminated or allowed to lapse any provision, so as to be likely to affect the normal course of business, or has given notice of its intention to do so,

then Contracts for such Contract Months or Contract Dates as the Exchange shall specify (which may, if the Exchange so determines, include Contracts under which a tender has been made) shall, upon the Exchange's formal announcement that such condition is satisfied, be invoiced back at the official quotation in respect of each such Contract Month or Contract Date fixed by the Clearing House for the date of the announcement or for such one of the six business days (not counting any day on which there was no official quotation) immediately preceding the date of the announcement as the Exchange shall in its absolute discretion specify in the announcement.

I.5.2 In respect thereof, accounts shall be made up by the Clearing House on that basis for each Member contracting with it. Settlement of such accounts shall be due immediately and shall be treated as complete and final notwithstanding any further change of circumstances.

I.5.3 In the case of a Contract Month or Contract Date for which there is no official quotation, Contracts shall, for the purpose of this Rule I.5, be invoiced back at the market value as determined by the Exchange.

I.5.4 The Exchange's formal announcement under this Rule I.5 shall be made by Circular.

- I.5.5 The decision of the Exchange under this Rule I.5 as to the price at which Contracts are invoiced back shall be binding on both parties and no dispute as to such price may be referred to arbitration, but the completion of invoicing back shall be without prejudice to the right of either party to refer disputes arising out of a Contract to arbitration under Section H of the Rules.

**I.6 NEW LEGISLATION**

- I.6.1 If the Exchange, after consultation with the Clearing House, in its absolute discretion, determines that a change of legislative or regulatory provisions of Singapore, any other country or any international organisation, or of institutions or market organisations in any country or group of countries, (including without prejudice to the generality of the foregoing, a change in respect of duties or taxes) has affected, is affecting or is likely to affect the normal course of business, the Exchange shall have the power (without prejudice to their powers under any other provision of the Rules) to vary this Section I in any way it deems necessary or desirable for the preservation of the orderly course of business.
- I.6.2 Such variation may be made notwithstanding that it may affect the performance or value of existing Contracts (or such existing Contracts as may be specified by the Exchange). Without limiting its powers hereunder, the Exchange will use its best endeavours to keep any such variation to the minimum that they consider reasonably necessary to deal with the situation.
- I.6.3 The Exchange's powers under this Rule I.6 shall be exercisable by Circular. Any variation made under this provision shall take effect at such time and for such period as the Exchange shall prescribe, but (without prejudice to the preceding paragraph) shall not take effect earlier than the publishing of the relevant Circular.
- I.6.4 Every Contract affected by a variation under this Rule I.6 shall remain in full force and effect subject to such variation and shall not be treated as frustrated or repudiated except so far as may be allowed in the Exchange's Circular.
- I.6.5 Any Circular published by the Exchange under this Section may be varied or revoked by a subsequent Circular.

**I.7 ARBITRATION**

Any dispute arising out of a Contract shall (subject to any contrary provision in this Section I, including, without limitation, Rules I.20.1, I.20.10 and I.20.12) be referred to arbitration under Section H.

In any case where an invoicing back price has been fixed in accordance with this Section I, the fixing of such price shall not limit the jurisdiction of the board of arbitration to make such award as it deems fit in the circumstances.

All cash settlements and invoicing back prices fixed by the Exchange under the Contract Rules shall be final and binding on all parties. No dispute arising from or in relation to any cash settlement or invoicing back price fixed by the Exchange under the Contract Rules shall be referred to arbitration under Section H, but the completion of cash settlement or invoicing back shall be without prejudice to the right of either party to refer any other dispute arising out of the Contract to arbitration under Section H or to any action under the Clearing House Rules.

**I.8 LAW AND JURISDICTION**

This Section I and every Contract and all non-contractual obligations arising out of or in connection therewith, are governed by and shall be governed by and construed in accordance with the laws of the Republic of Singapore and, subject to Rule I.7, any matter arising therefrom shall be subject to the jurisdiction of the courts of Singapore.

**I.9 CONTRACT SECURITY**

The Clearing House may call for such additional margin, at any time and from time to time, as may be deemed necessary and in accordance with the Clearing House Rules to ensure satisfaction of all obligations relating to a Contract.

**I.10 EXCHANGE MONITORING**

In order to assist the Exchange in monitoring the performance of Contracts (but without obliging it to do so and without prejudice to any other power which it might have), the Exchange may, at any time and from time to time, require Members and the Clearing House to supply to it such information as it thinks fit. The Exchange may require such information to be supplied to it through the Clearing House.

**I.11 EXCHANGE'S POWERS**

The provisions of this Section I shall be without prejudice to any powers given to the Exchange by other provisions of the Rules.

**I.12 SETTLEMENT TO MARKET**

At the request of the Exchange or otherwise, the Clearing House may apply a system of settlement or marking to market or revaluation to Contracts in accordance with the Clearing House Rules. Accordingly, references in this Section I to:

- (a) a Contract shall be construed as including settlement obligations arising in accordance with the Clearing House's system; and
- (b) the price at which the Buyer or Seller contracted to buy or sell shall be construed as the price for the time being registered on behalf of the Buyer or Seller by the Clearing House under such system,

and all terms of a Contract shall be construed to allow the application of such a system.

**I.13 FINAL SETTLEMENT PRICE FOR CASH SETTLED CURRENCY FUTURES CONTRACTS**

If, for any reason, the relevant index or other value on which final settlement of any cash settled FX Contract is based is not published at the end of the relevant Trading Day for such Product, or the Exchange believes there is an error in the calculation of the index or other value, or the Exchange is otherwise unable to issue a final settlement price on such day and alternative settlement procedures are not otherwise specified in the relevant Contract Terms, then the Exchange may:

- I.13.1 determine a final settlement price that reflects the true market value at the time of final settlement based upon another pricing source or otherwise at its discretion; or
- I.13.2 postpone the determination of the final settlement price until such time as the relevant pricing data (as set out in the applicable Contract Terms) is available.

**I.14 APPLICATION OF GENERAL RULES**

- I.14.1 Each Contract shall be subject to the Rules. Each Contract shall also be subject to the Clearing House Rules. The Clearing House Rules shall prevail in the event of any inconsistency between the Clearing House Rules and the relevant Contract Terms. The Clearing House Rules provide that the Clearing House is a party as principal to each Contract, whether as Buyer or Seller and that its counterparty is the relevant Clearing Member. This Section I shall be construed accordingly and, in particular, references to "Buyer" and "Seller" shall include the Clearing House unless the context otherwise requires.

I.14.2 The provisions of neither the Convention relating to a Uniform Law on the International Sale of Goods, of 1964, nor the United Nations Convention on Contracts for the International Sale of Goods, of 1980, shall apply to Contracts.

### **I.15 FURTHER AMENDMENT OF CONTRACT TERMS**

I.15.1 In respect of any Contract, the Contract Terms may from time to time be amended pursuant to this Rule I.15 without prejudice to any right contained elsewhere in the Rules to amend the Contracts Terms. Such an amendment may, according to its terms, have effect on existing as well as new Contracts, and in such case, all Contracts declared to be affected shall forthwith (or at such time as the terms of the amendment shall indicate) automatically be modified in conformity to the amendment.

I.15.2 The Exchange shall not propose an amendment under this Rule I.15 on terms affecting existing Contracts if the amendment is in their opinion likely to affect the market price of the Product. The restraint imposed by this paragraph (b) shall not apply in respect of:

- (a) Contract Months which, in the case of Contracts as the Exchange shall specify, are for the time being more distant than the ninth forward Contract Month;
- (b) Contract Months which, in the case of Contracts as the Exchange shall specify, are for the time being more distant than the sixth forward Contract Month;
- (c) [Not used.]
- (d) Contract Dates which, in the case of Contracts as the Exchange shall specify, fall within a month which is for the time being more distant than the third forward Contract Month; or
- (e) Contract Months which, in the case of Contracts as the Exchange shall specify, are for the time being more distant than the third forward Contract Month.

I.15.3 In this Rule I.15, references to the amendment of the Contract Terms include additions to and the partial revocation of the Contract Terms.

### **I.16 REGULATORY FUNCTIONS**

I.16.1 Where the Exchange considers that circumstances have arisen, or are reasonably likely to arise, in which it would be desirable for any of the Contract Terms to be varied in the interests of ensuring the orderly operation and evolution of the Market or pursuant to any of the Exchange's other regulatory functions, the Exchange shall have the power (without prejudice to its powers under any other provision of the Rules) to vary any of the Contract Terms in any way it deems appropriate to respond to such circumstances in accordance with the Exchange's regulatory functions. Such circumstances may include, without limitation:

- (a) where the provisions for the specification, pricing, settlement or other aspects of a Contract are no longer representative of practices in the underlying market to which a Contract relates;
- (b) where, without changes to the provisions for the specification, pricing, settlement or other aspects of a Contract, there is a risk of material detriment being caused to the market for that Contract, whether in terms of liquidity, reputation or otherwise;
- (c) where a Contract may, without variation, cease to be a viable hedging tool; or
- (d) where any aspect of the current business on the Market in respect of any Contract is, in light of any other current or anticipated circumstances, at risk of being conducted otherwise than in an orderly manner and/or so as to afford proper protection to participants in the Market, and such risk may be addressed by changes to the Contract Terms.

I.16.2 Such variation may be made notwithstanding that it may affect the performance or value of existing Contracts (or such existing Contracts as may be specified by the Exchange). Without limiting their powers hereunder, the Exchange will use its reasonable endeavours to keep any such variation to the minimum that they consider reasonably necessary to respond to the circumstances in question.

- I.16.3 The Exchange's powers under this Rule I.16 shall be exercisable by Circular. Any variation made under this provision shall take effect at such time and for such period as the Exchange shall prescribe, but (without prejudice to the preceding paragraph) shall not take effect earlier than the publication of the relevant Circular. The Exchange shall seek to give Members prior notice but, where deemed necessary, changes may take effect immediately upon the posting of such Circular or at such other time as the Exchange prescribes.
- I.16.4 Every Contract affected by a variation under this Rule I.16 shall remain in full force and effect subject to such variation and shall not be treated as terminated or frustrated or repudiated except so far as may be allowed in the relevant Circular.
- I.16.5 Any Circular published by the Exchange under this Rule I.16 may be varied or revoked by a subsequent Circular.

#### **I.17 TRADE EMERGENCY PANEL**

- I.17.1 In the event of the Exchange identifying or suspecting the development or possible development of a situation or practice referred to below, it shall forthwith refer the matter to a panel (the "**Trade Emergency Panel**") being a minimum of three people comprising: two Clearing House senior executives nominated for this purpose by the Clearing House; or non-executive Directors. The Trade Emergency Panel may take such professional advice as it sees fit in coming to any decision.
- I.17.2 If, in the opinion of the Trade Emergency Panel, an excessive position or unwarranted speculation or any other undesirable situation or practice affecting or capable of affecting the Market is developing, or has developed, it may take any steps whatsoever to provide for, correct or check the further development of such situation or practice and may give directions to Members accordingly. Such steps may (without prejudice to the generality of this Rule I.17), if the Trade Emergency Panel thinks fit, extend to trading which occurred before or on the date that such step is instigated.
- I.17.3 A Member contravening a direction of the Trade Emergency Panel under this Rule I.17 shall be liable to the same sanctions (including expulsion or suspension from membership) as if a breach of the Rules were committed.

#### **I.18 DEFINITIONS AND INTERPRETATION**

- I.18.1 In this Rule I.18 and in Rules I.19 to I.22, unless the context otherwise requires:

| <b>TERM</b> | <b>DEFINITION</b>   |
|-------------|---|
| "Party"     | means the Seller or the Buyer under a Contract, which shall not include the Clearing House (except where the context otherwise requires). |

- I.18.2 Any discretion that may be exercised by a person or body under Rules I.19 to I.22, will be exercised in the absolute discretion of such person or body.

#### **I.19 NON-PERFORMANCE**

- I.19.1 If it appears to the Clearing House that a Party has, or may have, failed to perform its obligations under a Contract, the Clearing House will, as soon as practicable, take such steps as it deems appropriate to achieve an amicable settlement between the Parties to the affected Contracts. If such steps have not led or are not likely to lead to settlement within five days of the failure (or apparent failure) having come to the attention of the Clearing House, the Clearing House will refer the matter to the Exchange. Subject to Rules I.19.2 and I.19.3, if a reference is made to the Exchange under this Rule I.19.1, the Exchange will refer such matter to the Delivery Panel under Rule I.20.1.
- I.19.2 If a reference is made to the Exchange under Rule I.19.1 but an amicable solution is notified to the Exchange by the Parties involved prior to the referral of the matter to the Delivery Panel under Rule I.20.1 by the Exchange, the Exchange will either:
- (a) refer such matter to the Delivery Panel under Rule I.20.1; or

- (b) not refer such matter to the Delivery Panel under Rule I.20.1 but make such determination as it appears to the Exchange, in its discretion, to be expedient concerning the settlement of such Contract and shall convey its determination to the Parties and to the Clearing House.

Such determination shall be binding on the Parties and the Clearing House and no dispute as to such determination may be referred to arbitration, but shall be without prejudice to the right of either Party to refer any other failure (or apparent failure) of a Party in the performance of its obligations under a Contract or any related dispute to arbitration under Section H of the Rules.

- I.19.3 If it comes to the attention of the Exchange, other than pursuant to Rule I.19.1, that a Party to a Contract has, or may have, failed to perform its obligations under a Contract, the Exchange may refer such matter to the Delivery Panel under Rule I.20.1.

I.19.4 [Not used.]

I.19.5 [Not used.]

## **I.20 DELIVERY PANEL**

- I.20.1 The Exchange may, in respect of a delivery under a Contract, refer any dispute to the Delivery Panel, but shall refer any matter to the Delivery Panel:

- (a) in the circumstances stated in Rules I.19.1, I.19.2(a) or I.19.3.  
(b) [Not used.]  
(c) [Not used.]

The Exchange will not refer a dispute or matter in respect of a delivery under a Contract to the Delivery Panel if a Party has been Declared a Defaulter under Section D of the Rules or the default rules of the Clearing House. The Exchange will notify the Clearing House and each of the Parties to the affected Contracts that a dispute or matter has been referred to the Delivery Panel.

- I.20.2 Following a reference made to the Delivery Panel by the Exchange under Rule I.20.1, the Exchange may, in its discretion, require both Parties, or either of them, to pay to the Exchange a fee of SGD 5,000, unless the Exchange determines, in its discretion, to waive or reduce the fee.

- I.20.3 Following the referral of a dispute or matter to the Exchange, the Exchange may constitute a Delivery Panel. Any member of the Delivery Panel shall have no direct or indirect interest in any Party (or any client or underlying client of a Party) or the dispute or matter to be determined.

- I.20.4 Any objection raised by a Party to any member of the Delivery Panel being appointed to the Delivery Panel shall be determined by the Exchange, as the case may be, at their discretion.

- I.20.5 The Delivery Panel shall meet at any time in person or by telephone.

- I.20.6 The Delivery Panel may, in its discretion, require the Parties to the affected Contracts to present written submissions and evidence in support of their claim, to the Delivery Panel by such time and in such form as the Delivery Panel may direct. An oral hearing will only take place if the Delivery Panel, in its discretion, considers it to be necessary. A Party may be assisted by or represented by any person who may be legally qualified at that oral hearing if the Delivery Panel, in its discretion, considers it to be necessary. The Delivery Panel will determine the dispute or matter on such evidence as it thinks is relevant, notwithstanding that such evidence may not be admissible in a court of law, and make one or more of the directions contemplated by Rule I.20.9 below.

- I.20.7 The Delivery Panel may obtain legal advice from the Exchange's legal advisers.

- I.20.8 The Delivery Panel may obtain expert advice from any expert appointed by the Exchange. The identity of a Party will not be disclosed to an expert nor will the identity of any expert be disclosed to a Party. Each Party will have the opportunity to respond to the substance of any expert advice obtained by the Delivery Panel.

I.20.9 Following the determination of any dispute or matter pursuant to Rule I.20.6, the Delivery Panel shall report in writing its findings, (which shall include, as may be appropriate, whether a Party has failed to perform its delivery obligations under a Contract), to the Exchange, the Clearing House and to each of the Parties to the affected Contracts.

The Delivery Panel may, either at the same time or in advance of its written findings being available, make any one or more of the following directions, except that if it determines that an event of force majeure has occurred which has hindered or prevented the performance of a Contract by five business days after the due date for delivery of the product under a Contract, the Delivery Panel shall only be entitled to make the direction referred to in paragraphs (b) and (c) below:

- (a) direct a Party as to how delivery under the affected Contracts should proceed;
- (b) direct the Clearing House to invoice back one or more of the affected Contracts at a price to be set by the Delivery Panel in its discretion, taking into account any information it considers to be relevant for this purpose which may have been supplied by the Exchange. The price for invoicing back may, at the Delivery Panel's discretion, take account of any compensation that it may consider should be paid to or by a Party.

In the event of any delay to the invoicing back process, the Delivery Panel may, at its discretion, in advance of it setting a price for invoicing back, and in agreement with the Clearing House, direct the Clearing House to make an interim payment to a party. The amount of the interim payment will be set by the Delivery Panel at its discretion. In such an event, the price for invoicing back shall take account of the interim payment as appropriate; or

- (c) direct any of the Parties to pay to the Exchange costs in an amount determined by the Delivery Panel in its discretion. Such costs may include, but shall not be limited to: the fees and expenses of members of the Delivery Panel or any expert; any legal costs; and expenses which the Exchange or the Clearing House may incur or be subjected to in respect of such dispute or matter.

I.20.10 The determination of a matter by the Delivery Panel shall be without prejudice to the powers of the Exchange to take such action under Section E of the Rules as it considers in its discretion appropriate. Without prejudice to the foregoing, in the case where the Delivery Panel finds that a Party has failed to perform its obligations under a Contract, the Exchange may issue a fine under Section E of the Rules.

I.20.11 A Party shall comply with any finding, determination or direction made by the Delivery Panel under this Rule I.20. A direction by the Delivery Panel made under Rules I.20.9(a) and (b) shall be immediately binding upon the Parties to the affected Contracts. Any finding, determination or direction by the Delivery Panel made under Rule I.20.9(c), shall be deemed conclusive and binding upon expiry of the time permitted for appeal or receipt by the Exchange of any earlier written notice that such right of appeal will not be exercised. Any Party who refuses or fails to comply with or perform any finding, determination or direction made under this Rule I.20, shall be deemed to have infringed this Rule I.20 and such infringement will constitute a breach of the Rules by such Party and may be the subject matter of disciplinary proceedings under Section E of the Rules.

I.20.12 In respect of a dispute or matter which has been referred to the Delivery Panel under Rule I.20.1 and determined by a Delivery Panel, no finding, determination or direction made under Rule I.20 in respect of such dispute or matter, including, without limit, any issue or dispute arising out of or in connection with the invoicing back price determined by the Delivery Panel under Rule I.20.9(b), shall be referred to arbitration under Section H of the Rules. This Rule I.20.12 shall be without prejudice to the right of a Party to refer any other matter or dispute to arbitration under Section H of the Rules.

I.20.13 In the event of a member of the Delivery Panel:

- (a) becoming directly or indirectly interested or involved in any Party (or any client or underlying client of a Party) or the dispute or matter to be determined other than as a result of being a member of the Delivery Panel;
- (b) dying; or

- (c) in any other way being or becoming, in the opinion of the Exchange, incapacitated from acting on the Delivery Panel,

the Exchange may appoint another person to take such Delivery Panel member's place, and the Delivery Panel shall thereupon proceed to determine the dispute or matter as if such other person had been originally appointed to the Delivery Panel.

## I.21 APPEALS PROCEDURE

I.21.1 A Party to an affected Contract or the Exchange may appeal against any finding, determination or direction made by the Delivery Panel under Rule I.20.9(a) or (c). Such notice of appeal shall be lodged in writing with the Exchange within ten business days of the Delivery Panel's finding, determination or direction.

I.21.2 A notice of appeal under Rule I.21.1 shall set out the grounds of the appeal and shall contain a brief statement of all matters relied on by the appealing Party. The grounds of the appeal shall be any one or more of the following:

- (a) the Delivery Panel misdirected itself;
- (b) the Delivery Panel's finding, determination or direction under Rule I.20.9(a) or (c) was:
  - (i) one which no reasonable Delivery Panel could have reached; or
  - (ii) based on an error of law, or a misinterpretation of the Rules or the Contract Terms; or
- (c) the finding, determination or direction under Rule I.20.9(a) or (c) of the Delivery Panel was excessive, insufficient or inappropriate; or
- (d) new evidence is available which, had it been before the Delivery Panel, could reasonably have led to a different finding, determination or direction under Rule I.20.9(a) or (c). This will not apply if the appealing Party could have produced the evidence to the Delivery Panel had he made reasonable efforts to obtain it,

but no Party may otherwise appeal under Rule I.21.1.

I.21.3 Upon receipt of a notice of appeal, the Exchange shall convene a panel (the "**Delivery Appeals Panel**") comprising three members, which shall not include any member of the Delivery Panel which made the finding, determination or direction under Rule I.20.9(a) or (c) that is the subject of the appeal. Any member of the Delivery Appeals Panel shall have no direct or indirect interest in any Party (or any client or underlying client of a Party), the dispute or matter determined by the Delivery Panel or the subject of the appeal.

I.21.4 The appealing Party and, if applicable, the other Party, may at the discretion of the Delivery Appeals Panel, present written submissions in support of, or in contention of, the ground for appeal, to the Delivery Appeals Panel by such time and in such form as the Delivery Appeals Panel may direct. An oral hearing of the appeal will only take place if the Delivery Appeals Panel in its discretion considers it to be necessary. A Party may be assisted by or represented by another person at that oral hearing if the Delivery Appeals Panel, in its discretion, considers it to be necessary. The Delivery Appeals Panel will consider the finding, determination or a direction under Rule I.20.9(a) or (c) of the Delivery Panel, review the evidence before the Delivery Panel and such further evidence as may be put to the Delivery Appeals Panel. No new evidence of fact may be adduced unless the Delivery Appeals Panel is satisfied that there is good reason why such evidence was not presented to the Delivery Panel and only if such evidence is relevant, notwithstanding such evidence may not be admissible in a court of law.

I.21.5 The Delivery Appeals Panel may:

- (a) dismiss or allow the appeal;

- (b) confirm or amend the finding, determination or a direction under Rule I.20.9(a) or (c) (including increasing or decreasing the amount of costs payable by a Party in respect of a direction made under Rule I.20.9(c)); or
- (c) substitute its own finding, determination or direction under Rule I.20.9(c) (which may include increasing or decreasing any finding, determination or direction imposed).

Notwithstanding the foregoing, if an appeal is upheld in respect of a direction under Rule I.20.9(a) or any finding or determination upon which a Delivery Panel made a direction under Rules I.20.9(a) or (b), the Delivery Appeals Panel may only direct a Party to pay an amount of compensation or costs as it determines in its discretion to be appropriate.

- I.21.6 The Delivery Appeals Panel may, at any stage, approve the settlement of any issue between the Parties to the affected Contracts on such terms as it considers expedient or satisfactory. Any withdrawal of an appeal by an appealing Party must be in writing and lodged with the Exchange. The Exchange may direct such Party to pay to the Exchange costs in accordance with Rule I.21.7.
- I.21.7 The Delivery Appeals Panel may direct a Party to pay to the Exchange costs in an amount determined by it, in its discretion. Such costs may include, but shall not be limited to: the fees and expenses of any member of the Delivery Appeals Panel or any expert; any legal costs; and expenses which the Exchange or the Clearing House may incur or be subjected to in relation to the appeal.
- I.21.8 The finding, determination or direction of the Delivery Appeals Panel shall be final and binding and there shall be no further appeal. The decision shall be notified in writing to the appealing Party, any other Party to the affected Contracts, the Delivery Panel which made the finding, determination or direction, the Clearing House and the Exchange.
- I.21.9 A Party shall comply with any decision of the Delivery Appeals Panel. Any Party who refuses or fails to comply with or perform any decision or direction made, or action taken, under this Rule I.21, shall be deemed to have infringed this Rule I.21.9 and such infringement will constitute a breach of the Rules by such Party and may be the subject matter of disciplinary proceedings under Section E of the Rules.
- I.21.10 Following the lodgement of a notice of appeal with the Exchange under Rule I.21.1, the Exchange may, in its discretion, require the appealing Party, to pay to the Exchange a fee of SGD 5,000, unless the Exchange determines, in its discretion, to reduce or waive the fee.
- I.21.11 Rules I.20.4, I.20.5, I.20.7 and I.20.8 shall apply to the Delivery Appeals Panel as though the reference therein to the Delivery Panel were to the Delivery Appeals Panel.

## **I.22 PUBLICATION OF A DETERMINATION**

Notwithstanding Rule A.4.1, the Exchange shall give such publicity as it considers appropriate in its discretion, to any finding, determination or direction made by a Delivery Panel or decision or direction made by a Delivery Appeals Panel. This Rule I.22 is without prejudice to the right of the Exchange under Rule A.4.3, or otherwise, to disclose confidential information to other regulatory or law enforcement bodies.

## **I.23 ENVIRONMENTAL COMPLIANCE AND LIABILITY**

I.23.1 In this Rule I.23, the following terms have the following meanings:

- (a) The term "**Buyer**" means, in relation to a delivery under a Contract under the Clearing House Rules, the Member or the Clearing House, whichever is obliged to receive delivery of a Commodity (whether itself or through another Person).
- (b) The term "**Commodity**" means any kind of property which is capable of being delivered pursuant to a Contract.
- (c) The term "**Environment**" means all or any of the following media (whether alone or in combination): air (including the air within buildings or other natural or man-made structures

whether above or below ground), water (including surface water, sub-surface water, groundwater, coastal, marine or inland waters or waterways, and water within drains, sewers or other natural or man-made structures), land (including surface land, land under water, soil and sub-soil), any natural resource and any ecological systems and living organisms supported by these media.

- (d) The term "**Environmental Law**" means, as in force from time to time, any national, federal, supranational, state, regional, provincial, local or other law, treaty, directive or other lawful requirement, and including, without limitation, common law, any statute, ordinance, rule, regulation, code, lawful requirement, guidance, statutory guidance note, published practice or concession, order, judgment or ruling of any Governmental Authority, in each case governing or relating to pollution, the protection of the Environment, noise, nuisance, health, safety or natural resources, or the use, sale, delivery, registration, handling, transportation, treatment, storage, disposal, release or discharge of Hazardous Materials.
- (e) The term "**Environmental Permit**" means any licence, approval, authorisation, permission, certificate, certification, registration, notification, waiver, order or exemption that is issued, granted or required under Environmental Law.
- (f) The term "**Hazardous Material**" means all chemicals, materials, substances, preparations or articles, whether natural or man-made and whether solid, liquid or gaseous, which are defined or regulated as toxic, hazardous, noxious, radioactive, flammable, corrosive or caustic or as a pollutant, contaminant or waste or words of similar import under any Environmental Law or Environmental Permit, or which may otherwise be capable, whether alone or in combination, of causing harm to any human or other living organism or the Environment.
- (g) The term "**Person**" means any individual, partnership, firm, body corporate, association, trust, unincorporated organisation or other entity.
- (h) The term "**Seller**" means, in relation to deliveries under a Contract under the Clearing House Rules, the Member or the Clearing House, whichever is obliged to make delivery of a Commodity (whether itself or through another Person).
- (i) The term "**Transferee**" means a Person nominated by a Buyer to whom a transfer or delivery is to be made under a Contract and includes reference to the Buyer where transfer or delivery is to be made to the Buyer.
- (j) The term "**Transferor**" means a Person nominated by a Seller by whom a transfer or delivery is to be made under a Contract and includes reference to the Seller where transfer or delivery is to be made by the Seller.

I.23.2 Without prejudice to Rule A.7 of the Rules, and without prejudice to Rule 111 of the Clearing House Rules, neither the Exchange nor the Clearing House is responsible for, and neither shall have any liability whatsoever in respect of, any application, notification, reporting, data or information sharing, registration, certification, authorisation, investigation, remediation or the taking or not taking of any other action or thing that may be required by any Environmental Law or Environmental Permit in respect of any Commodity or Contract. In particular but without limitation, neither the Exchange, nor the Clearing House, shall be responsible for, or have any liability whatsoever in respect of, the taking or not taking of any of the following actions:

- (a) any pre-registration, registration or other action in connection with any Hazardous Material or other substance, preparation, article or material that is the subject of, or part of, any Commodity or Contract.
- (b) [Not used.]
- (c) [Not used.]
- (d) [Not used.]

I.23.3 Without prejudice to Rule A.7 of the Rules, and without prejudice to Rule 111 of the Clearing House Rules, neither the Exchange, nor the Clearing House, is responsible for, and neither shall have any liability whatsoever in respect of:

- (a) the condition, safety or compliance or non-compliance with any Environmental Law or Environmental Permit;
- (b) the presence of any Hazardous Material or occurrence of any contamination related to; or
- (c) any other liability or obligation arising under Environmental Law or Environmental Permit related to,

any barge, installation, equipment, vehicle, land, water or other location or area used in connection with the sale, delivery, registration, handling, transportation, treatment, management, storage, disposal, release or discharge of any Commodity. Further, neither the Exchange, nor the Clearing House, shall be responsible for, or have any liability whatsoever in respect of the condition or safety of any Commodity delivered pursuant to any Contract.

I.23.4 Each Member delivering a Commodity pursuant to a Contract shall comply, and shall be deemed to represent and warrant that it has complied, fully with any application, notification, reporting, data or information sharing, registration, certification, authorisation, investigation, remediation or the taking or not taking of any other action or thing required by any Environmental Law or Environmental Permit and applicable to such Commodity, including, without limitation, as related to the condition or safety of such Commodity. In particular but without limitation, such Member shall comply, and shall be deemed to represent and warrant that it has complied, fully with any and all requirements specified in Rule I.23.2 to the extent applicable to such Commodity.

I.23.5 Neither the Buyer nor the Seller, nor their Transferees or Transferors, shall have any claim against the Exchange or the Clearing House, whether in contract, tort or restitution, as a fiduciary or under any other cause of action, for any loss, liability, cost, damage or expense incurred or suffered as a result of any non-compliance with any Environmental Law or Environmental Permit, the condition of or any hazard posed by any Commodity, or the presence of any Hazardous Material or occurrence of any contamination.

**I.24 [NOT USED.]**

**I.25 [NOT USED.]**

**I.26 PRIIPS RESTRICTIONS; IN RELATION TO EUROPEAN ECONOMIC AREA RETAIL CUSTOMERS ONLY**

- (a) The Exchange understands that some Members may offer trading services related to PRIIPs Contracts traded on the Exchange to EEA Retail Investors where they are permitted to do so and where the Exchange is permitted to provide such access. In such circumstances, EEA Retail Investors may also have direct trading access to PRIIPs Contracts traded on the Exchange. The Exchange has therefore produced Key Information Documents in the English language in relation to its PRIIPs Contracts. Translated versions of English language Key Information Documents may also be published by the Exchange at its discretion from time to time as set forth in Rule I.26(b). These steps are being taken in order to provide a more efficient basis for compliance with the PRIIPS Regulation and the PRIIPS RTS for Members whose clients are EEA Retail Investors. To the extent permitted under the PRIIPs Regulation, the Exchange undertakes no duty of care for the contents of any Key Information Documents and makes no warranty, representation or undertaking as to the accuracy of any Key Information Document. The Exchange has not considered the specific circumstances of any Member or EEA Retail Investor. Persons should only trade in PRIIPs Contracts based on their own assessments of the risks and should take their own financial, tax and legal advice. Members are responsible for verifying whether the Key Information Documents produced by the Exchange are sufficient for their purposes or their clients' purposes, for adding any further disclosures as may be required for their clients and for assessing the suitability and appropriateness for their clients of any PRIIPs Contracts traded on the Exchange. Effective as

from 1 January 2018, no Member shall offer, sell, distribute or otherwise make available any PRIIPs Contracts to any EEA Retail Investor, unless:

- (i) for PRIIPs Contracts offered to EEA Retail Investors in EEA Member States where the Exchange has produced a Key Information Document in English or a translated Key Information Document in either case only where English or such other language is an official language of that EEA Member State: the Key Information Document has been provided to the EEA Retail Investor by the Member in accordance with Rule I.26(c)-(h) in good time and in accordance with the PRIIPs Regulation and PRIIPs RTS (together with any necessary Member-specific disclosures) before such EEA Retail Investor is bound by any contract or offer relating to a PRIIPs Contract; or
  - (ii) for PRIIPs Contracts offered to EEA Retail Investors in EEA Member States where the Exchange has not produced a translated Key Information Document in an official language of that EEA Member State: a key information document (which may be faithfully and accurately translated from the Key Information Document or otherwise produced in an official language of the EEA Member State in which the EEA Retail Investor is located) has been provided to such EEA Retail Investor by the Member in accordance with Rule I.26(c)-(h) (with the references in Rule I.26(c)-(h) to the Key Information Document being construed as references to the local language key information document produced by the Member, and references to the Exchange's website being construed as a reference to the website used by the Member to publish or make available the local language key information document produced by the Member) in good time and in accordance with the PRIIPs Regulation and PRIIPs RTS (together with any necessary Member-specific disclosures) before the EEA Retail Investor is bound by any contract or offer relating to a PRIIPs Contract.
- (b) The Exchange will initially only produce and publish English language Key Information Documents for PRIIPs Contracts but may publish any translated Key Information Documents in other languages at its sole discretion. As a result:
- (i) unless the Exchange chooses to do so, at its discretion, the Exchange will not be responsible for producing, publishing or providing EEA Retail Investors with Key Information Documents in any official language of the EEA Member State in which the EEA Retail Investor is located nor for ensuring that any applicable requirements under the PRIIPs Regulation or PRIIPs RTS have been satisfied for any local language key information document produced by Members;
  - (ii) the Exchange is not a 'manufacturer' of any PRIIPs for purposes of the PRIIPs Regulation with respect to any offer to any EEA Member State other than those in which English is an official language or otherwise where a translated Key Information Document in a non-English language is published on its website; and accordingly, any Member or other person offering such products in such EEA Member State will itself be the 'manufacturer' for purposes of the PRIIPs Regulation, since PRIIPs Contracts for which no such translation is provided are not intended by the Exchange for distribution to EEA Retail Investors in such EEA Member States; and
  - (iii) any Member which produces and makes available to EEA Retail Investors any local language key information documents for PRIIP Contracts in any language or format that has not been produced and published by the Exchange agrees to indemnify the Exchange for any losses or liabilities suffered by the Exchange as a result of the Member publishing and making available to such EEA Retail Investors such key information documents which are misleading or inaccurate or are inconsistent with: (A) the English language Key Information Document produced by the Exchange produced for that PRIIP Contract (or any revised versions of the same); (B) the relevant parts of any legally binding pre-contractual and contractual documents; or (C) the requirements of Article 8 of the PRIIPs Regulation (and as further specified in the relevant PRIIPs RTS).

- (c) Subject to Rule I.26(d)-(f), Members must provide relevant Key Information Documents to EEA Retail Investors by:
  - (i) providing the EEA Retail Investor with a paper copy of the relevant Key Information Document;
  - (ii) providing the EEA Retail Investor with a link to the address on the Exchange's website that contains the relevant Key Information Document; or
  - (iii) providing the EEA Retail Investor with the relevant Key Information Document on a Durable Medium other than paper.
- (d) Members must provide a paper copy of the relevant Key Information Document to EEA Retail Investors for any PRIIPs Contracts that are being made available to the EEA Retail Investor if the relevant PRIIPs Contracts are being made available on a face-to-face basis, unless the EEA Retail Investor requests otherwise.
- (e) If a Member provides the relevant Key Information Document for any PRIIPs Contract that is being made available to an EEA Retail Investor by providing a link to the Exchange's website pursuant to Rule I.26(ii):
  - (i) the Member must retain evidence that the EEA Retail Investor has regular access to the internet (this requirement is satisfied if the EEA Retail Investor has provided an email address for the purposes of the EEA Retail Investor's business with the Member);
  - (ii) the Member must give the EEA Retail Investor a choice between receiving the relevant Key Information Document on paper or by means of a link to the Exchange's website, and the Member must, retain evidence of the EEA Retail Investor's choice to receive the relevant Key Information Document via the Exchange's website;
  - (iii) the Member must notify the EEA Retail Investor of his right to request a paper copy of the relevant Key Information Document free of charge;
  - (iv) the Member must provide a paper copy of the relevant Key Information Document to that EEA Retail Investor when requested by the EEA Retail Investor and free of charge;
  - (v) the Member must provide electronic or written notification to the EEA Retail Investor of the specific address on the Exchange's website for the relevant Key Information Document; and
  - (vi) where revised versions of the relevant Key Information Document are available the Member must provide previous versions of the relevant Key Information Document if any previous versions are requested by the EEA Retail Investor.
- (f) If the Member provides the relevant Key Information Document for any PRIIPs Contract that is being made available to an EEA Retail Investor in a Durable Medium other than paper pursuant to Rule I.26(iii):
  - (i) the Member must retain evidence that the EEA Retail Investor has regular access to the internet (this requirement will be satisfied if the EEA Retail Investor has provided an email address for the purposes of the EEA Retail Investor's business with the Member); and
  - (ii) the Member must give the EEA Retail Investor a choice between receiving the relevant Key Information Document on paper or in a Durable Medium other than paper; and the Exchange will, and the Member must, retain evidence of the EEA Retail Investor's choice to receive the Key Information Document in a Durable Medium.

- (g) Members must have adequate systems, controls and policies to ensure compliance with the requirements of Rules I.26(a)-(f) and, at the request of the Exchange, be able to show evidence of any such systems, controls, policies and, subject to Applicable Law, evidence that those requirements have been met in relation to any single EEA Retail Investor that is a client of a Member.
- (h) Members whose clients offer PRIIPs Contracts to EEA Retail Investors must procure that all such clients agree to terms equivalent to those set forth in this Rule I.26 as regards their dealings with EEA Retail Investors and the position and liability of the Exchange.
- (i) In this Rule I.26, the following words and expressions shall, unless the context otherwise requires, have the following meanings:

|                                   |   |
|-----------------------------------|---|
| <b>"Durable Medium"</b>           | means a durable medium as defined in point (m) of Article 2(1) of Directive 2009/65/EC;   |
| <b>"EEA Retail Investor"</b>      | means a retail investor as defined in Article 4(6) of the PRIIPs Regulation who is located in a Member State of the European Economic Area;   |
| <b>"Key Information Document"</b> | means the key information document drawn up by the Exchange (including any non-English language translated key information document produced by the Exchange at its discretion) and published on its website (including any revised versions produced by the Exchange from time to time) for a PRIIPs Contract for purposes of facilitating compliance with the PRIIPs Regulation. The key information documents (and any revised versions) published by the Exchange can be found on the Exchange's website; |
| <b>"PRIIP"</b>                    | means a packaged retail and insurance-based investment product as defined in Article 4(3) of the PRIIPs Regulation;   |
| <b>"PRIIPs Contract"</b>          | means a Contract that is (or is determined by the Exchange from time to time as likely to be or to have a material risk of being) a PRIIP;  |
| <b>"PRIIPs Regulation"</b>        | means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on Key Information Documents for packaged retail and insurance-based investment products (PRIIPs), as amended from time to time;   |
| <b>"PRIIPs RTS"</b>               | means any regulatory technical standards adopted by the European Commission pursuant to the PRIIPs Regulation, as amended from time to time.  |

**SECTION J - POSITION REPORTING, ACCOUNTABILITY AND LIMITS**

- J.1 Definitions
- J.2 Reporting of Positions
- J.3 Limits and Exemptions
- J.4 Bona Fide Hedging Positions
- J.5 Risk Management Positions
- J.6 Arbitrage and Spread Positions
- J.7 Aggregation of Positions
- J.8 Position Accountability
- J.9 Enforcement of Limits
- J.10 Exchange Access to Position Information
- J.11 Emergency Powers Not Limited

## J.1 DEFINITIONS

For purposes of this Section J, the following terms shall have the meanings set out opposite each:

|                               |   |
|-------------------------------|---|
| "Accountability Level"        | shall mean a threshold for positions held set by the Exchange which if exceeded may trigger enhanced reporting requirements;  |
| "Expiry Limit"                | shall mean the maximum permitted holding in the expiring Contract Month of a designated contract;   |
| "Futures Equivalent Contract" | shall mean an Option Contract that has been converted to a futures equivalent contract in accordance with Rule J.9;   |
| "Limit"                       | unless the context otherwise requires, shall mean a limit, whether a Position Limit, Expiry Limit or otherwise, but shall not include an Accountability Level;                |
| "Person"                      | shall mean either an individual or an entity;   |
| "Position Limit"              | shall mean the maximum permitted holding in a designated contract or Contract Month either by a single account or across multiple accounts controlled by the same entity; and |
| "Volume Threshold Account"    | a trading account held by a Clearing Member which has reached or exceeded the applicable reportable volume threshold.   |

## J.2 REPORTING OF POSITIONS

- (a) Each Member or Person that owns, controls, or carries for another Person an account with reportable positions in any Exchange contract, as specified by the Exchange, in a single Contract Month of a Future or a single Contract Month for a put or call Option (regardless of strike price), shall submit to the Exchange:
- (i) an account identification form as specified by the Exchange for each account; and
  - (ii) a daily report with respect to such positions, in a form acceptable to the Exchange, containing the account numbers and the number of open contracts in each such Futures Contract Month that equals or exceeds the applicable reporting level specified in paragraph (b), and such other information as the Exchange may require.

In addition, with respect to any Person that owns, controls or carries positions that meet or exceed All Month or Any One Month Accountability Level of any Future or Option, the Member shall report to the Exchange the positions carried by such Person in all Contract Months of that Future or Option, regardless of size. Without limiting any provision of the Rules, Members shall provide such additional information with respect to positions, and the ownership of such positions, as may be requested by the Exchange.

- (b) Each Clearing Member that owns, controls, or carries for another Person a Volume Threshold Account in any Future or Option as specified by the Exchange, during a single trading day, across all expirations, and for options, all puts or calls (regardless of strike price) across all expirations, shall submit to the Exchange an account identification form in such manner as specified by the Exchange for each Volume Threshold Account.
- (c) The reportable levels and volume thresholds for all Products will be as notified by the Exchange to Members from time to time.

**J.3 LIMITS AND EXEMPTIONS**

- (a) Limits on Contracts may be imposed at the discretion of the Exchange from time to time. The nature of the Limits and the Contracts affected shall be notified to the Members from time to time:

A Member shall not carry a position that exceeds the Limits on behalf of any Person unless the Member has confirmed that such Person has received an exemption from the Exchange.

All Limits shall be calculated on a net futures-equivalent basis by product and will include Contracts that aggregate into one or more source Products ("**Combined Contracts**"). Such Products and how they aggregate into a Combined Contract shall be published by the Exchange from time to time.

The Exchange may require compliance with Position Limits and Accountability Level on a Futures-only basis to the source Products into which other Products are combined.

- (b) The Person seeking an exemption from Limits shall file a written request in the form required by the Exchange, which shall include:

for the purposes of all Limits:

- (i) a description of the size and nature of the exemption sought;
- (ii) an explanation of the nature and extent of the Person's business and such other information as may demonstrate that the granting of the exemption is consistent with the Rules;
- (iii) a statement indicating whether the Person on whose behalf the request is made:
  - (aa) maintains positions in the contract for which the exemption is sought with any other Member; or
  - (bb) has made a previous or contemporaneous request pursuant to the Rules through another Member and if so, the relationship between the information set forth in such requests;
- (iv) a statement that the Person will comply with any limitations imposed by the Exchange with regard to such positions; and
- (v) a statement that the Person will immediately supply the Exchange with a supplemental statement whenever there is a material change to the information provided in the Person's most recent application; and

additionally, for the purposes of Position Limits:

- (vi) a statement that the intended positions will be either:
  - (aa) bona fide hedges that are economically appropriate and necessary or advisable as an integral part of the Person's business and comply with all Exchange requirements relating to hedging;
  - (bb) risk management positions as described in Rule J.5; or
  - (cc) arbitrage or spread positions;
- (vii) a statement that the Person will comply with any limitations imposed by the Exchange with regard to such positions; and
- (viii) a statement that the applicant will immediately supply the Exchange with a supplemental statement whenever there is a material change to the information provided in the applicant's most recent application.

- (c) Within five Trading Days of the submission of the written request and any supplemental information requested, the Exchange shall notify the Person seeking a Limits exemption whether the exemption has been granted and any limitations placed thereon (if applicable). The Exchange may impose such limitations on the approval as are commensurate with the Person's business needs, financial ability and personal integrity, as well as the liquidity, depth and volume of the market for which the exemption is sought. An exemption will remain in full force and effect until the Person requests a withdrawal or the Exchange revokes, modifies or places further limitations thereon.
- (d) A Person approved to exceed Position Limits must initiate and liquidate such positions in an orderly manner consistent with sound commercial practices, and must not initiate or liquidate such positions in a manner calculated to cause unreasonable or unwarranted price changes or fluctuations, breach or circumvent Exchange rules, or otherwise impair the good name of the Exchange.
- (e) In the event a Person exceeds its Position Limit specifically due to sudden unforeseen increases in its bona fide hedging needs, such Person shall not be considered in breach of the Rules provided that the Member on behalf of such Person requests a hedge exemption to carry such increased position within two Trading Days following the day on which the Person's Position Limit was exceeded, provided however that no such request shall be granted during the last three days of trading in an expiring Future.

**J.4 BONA FIDE HEDGING POSITIONS**

The Exchange may grant exemptions from the Position Limits for positions qualifying as bona fide hedge positions.

Bona fide hedging transactions and positions shall mean transactions or positions in an Exchange Future or Option where such transactions or positions normally represent a substitute for transactions to be made or positions to be taken at a later time in a physical market, and where they are economically appropriate to the reduction of risk in the conduct and management of a commercial enterprise, and where they arise from:

- (i) the potential change in the value of assets which a Person owns, produces, manufactures, processes, or merchandises or anticipates owning, producing, manufacturing, processing, or merchandising;
- (ii) the potential change in the value of liabilities which a Person owes or anticipates incurring; or
- (iii) the potential change in the value of services which a Person provides, purchases or anticipates providing or purchasing.

Notwithstanding the foregoing, no transactions or positions shall be classified as bona fide hedging for purposes of the Rules unless their purpose is to offset price risks incidental to commercial cash or spot operations and such positions are established and liquidated in an orderly manner in accordance with sound commercial practices.

**J.5 RISK MANAGEMENT POSITIONS**

For the purposes of the Rules contained in this Section J, risk management positions are defined as Futures and Option positions which are held by or on behalf of a commercial entity or an affiliate of a commercial entity, which typically buys, sells or holds positions in the Underlying or forward market, a related cash market, or a related over-the-counter market and for which the underlying market has a high degree of demonstrated liquidity relative to the size of the positions and where there exist opportunities for arbitrage which provide a close linkage between the Futures and Option market and the underlying market in question.

**J.6 ARBITRAGE AND SPREAD POSITIONS**

The Exchange may grant exemptions from the Position Limits for arbitrage, intra-commodity spread, inter-commodity spread and eligible Option/Option or Option/Future spread positions.

**J.7 AGGREGATION OF POSITIONS**

Subject to Rule J.9, in determining whether a position is a reportable position or any Person has exceeded the Limits published by the Exchange or Limits determined pursuant to an exemption granted by the Exchange pursuant to the Rules, the following shall apply:

- (i) all positions in accounts for which such Person by power of attorney or otherwise directly or indirectly holds positions or controls trading, shall be included with the positions held by such Person;
- (ii) the Limits upon positions shall apply to positions held by two or more Persons acting pursuant to an expressed or implied agreement or understanding, the same as if all the positions were held, or the trading of the positions was conducted, by a single Person; and
- (iii) if a Person can demonstrate to the satisfaction of the Exchange that a position is independently controlled, then that position will not be considered as contributing to any Limit.

**J.8 POSITION ACCOUNTABILITY**

J.8.1 A Member who holds or controls, or carries for another person, aggregate positions in excess of those Accountability Levels specified by the Exchange from time to time in respect of those contracts designated in Rule J.3:

- (a) shall provide, in a timely manner upon request by the Exchange, information regarding the nature of the Person's related cash, Futures and Options positions, trading strategy, and hedging information, if applicable (including all relevant documentation, from about the size and purpose of a position or exposure entered into, information about beneficial or underlying owners, any concert arrangements, and any related assets or liabilities in the underlying market) and any information required of the Exchange by a regulatory body pursuant to Rule A.3; and
- (b) shall not, when so directed by the Exchange, further increase positions which exceed the levels published by the Exchange. All such positions must be reduced by liquidation, termination or offsetting trades in an orderly manner on a temporary or permanent basis as the specific case may require,

and the Exchange will unilaterally take appropriate action to ensure the liquidation, termination, reduction or offsetting trade if the Member does not comply.

For purposes of this Rule J.8, all positions in accounts for which a Person, by power of attorney or otherwise, directly or indirectly controls trading shall be included with the positions held by such Person. The provisions of this Rule shall apply to positions held by two or more Persons acting pursuant to an expressed or implied agreement or understanding, the same as if the positions were held by a single Person.

J.8.2 The Exchange may require a Member to provide liquidity back into the market at an agreed price and volume on a temporary basis with the express intent of mitigating the effects of a large or dominant position

**J.9 ENFORCEMENT OF LIMITS**

- (a) No Member may for itself or any other Person maintain a combination of Futures and Futures Equivalent Contracts which is, or which when aggregated in accordance with Rule J.7 is, in excess of the Limits established by the Exchange.

For the purposes of the Rules contained in this Section J:

- (i) the Futures Equivalent Contract of each Option is calculated by reference to the delta ratio published daily by the Exchange; and

- (ii) a long Future, a long call Option and a short put Option are on the same side of the market; similarly a short Future, a short call Option and a long put Option are on the same side of the market.

Members are responsible for maintaining their position and their customers' positions within the Limits established or specified by the Exchange pursuant to these Rules. If, however, a Member's or customer's position exceeds position limits on any Trading Day due to changes in the deltas of the Option Contract, the Member or customer shall have one Trading Day to bring the position within the limits.

- (b) In the event the Exchange learns that a Member or customer maintains positions in accounts with more than one Member such that the aggregate position in all such accounts exceeds the Position Limits established by the Exchange, the Exchange may notify all Members maintaining or carrying such accounts that the aggregate position held across all Members is in excess of the Limits. Such notice may also instruct each such Member to reduce the positions in such accounts twenty-four hours after receipt of the notice, proportionately or otherwise so that the aggregate positions of such accounts at all such Members does not exceed the Limits established by the Exchange, unless as provided by Rule J.3(c) below, a request for an exemption is made and granted by the Exchange pursuant to these Rules. Any Member receiving such notice shall immediately take such steps as may be necessary to liquidate such number of Futures and/or Options as shall be determined by the Exchange in order to cause the aggregate positions of such accounts at such Members to comply with the Position Limits established by the Exchange. Notwithstanding the foregoing, the Members may reduce the positions of such accounts by a different number of Futures or Options so long as after all reductions have been accomplished at all Members carrying such accounts, the aggregate positions at all such Members and across Combined Contracts complies with the Limits established by the Exchange.
- (c) Subject to the foregoing provisions of this Rule, in the event that a Member's position (whether for Own Business or for the account of a customer) exceeds the limits established by, or ordered by the Exchange, such Member shall liquidate such number of Contracts as the Exchange shall direct in order to eliminate the excess within such time as the Exchange may prescribe and shall report to the Exchange when such liquidations have been completed.

If a Member fails to liquidate such Contracts within the time prescribed by the Exchange, then, in addition to any other actions the Exchange may take, the Exchange may take such steps as it may deem necessary or appropriate to liquidate such Contracts on behalf and at the expense of such Member to the extent necessary to eliminate such excess.

- (d) Notwithstanding (b) and (c) above, and where in the opinion of the Exchange an excessive position, capable of affecting the Market is developing, or has developed, the Exchange may take any steps as it deems necessary to provide for, correct or check the further increase of such position and may give directions to Members accordingly. Such steps may (without prejudice to the generality of this Rule), if the Exchange thinks fit, extend to trading which occurred before or on the date that such step is instigated.
- (e) A Member contravening a direction of the Exchange under this Rule shall be liable to the same sanctions (including expulsion or suspension from membership) as if a breach of the Rules were committed.
- (f) The Exchange may report any breach of Position Limits to the Clearing House in order for the Clearing House to impose further margin requirements under the Clearing House Rules.

#### **J.10 EXCHANGE ACCESS TO POSITION INFORMATION**

Without limiting any provision of these Rules, the Exchange shall have the authority to obtain from any Member information with respect to any positions of such Member or any customer of such Member. This authority shall include the authority to obtain information concerning positions maintained in omnibus accounts and positions held at other firms, and it shall be the obligation of a Member receiving such an inquiry to obtain such information from its customer. In the event a Member fails to

provide the requested information the Exchange, in addition to any other remedy provided in these Rules, may order that the Member liquidate the positions which are related to the inquiry.

**J.11 EMERGENCY POWERS NOT LIMITED**

Nothing contained in this Section J shall in any way be construed to limit the emergency powers enumerated elsewhere in the Rules, and, unless the Exchange in taking an emergency action shall state otherwise, any such emergency action shall be effective with respect to all Members, regardless of whether an exemption from the Limits has previously been granted pursuant to these Rules.