

No. S 000 –

SECURITIES AND FUTURES ACT 2001
(ACT 42 OF 2001)

SECURITIES AND FUTURES (MARKETS)
REGULATIONS 2002

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In exercise of the powers conferred by sections 7, 22, 33, 44, 188, 189, 341 and 344 of the Securities and Futures Act 2001, the Monetary Authority of Singapore hereby makes the following Regulations:

PART I

PRELIMINARY

Citation and commencement

1. These Regulations may be cited as the Securities and Futures (Markets) Regulations 2002 and shall come into operation on 1st October 2002.

Definitions

2. In these Regulations, unless the context otherwise requires —

“annual report” means the audited profit and loss accounts, audited balance-sheet and auditors’ report, by whatever name called, of any securities exchange, futures exchange, exchange holding company or recognised trading system provider;

“chief executive officer” means any person, by whatever name called, who is in the direct employment of or acting for, or by arrangement with a securities exchange, futures exchange, exchange holding company or recognised trading system provider, and who is principally responsible for the management and conduct of the business of the securities exchange, futures exchange, exchange holding company or recognised trading system provider;

“futures equivalent” means an option contract which has been adjusted by that option contract’s risk factor or delta coefficient, such risk factor or delta coefficient being calculated at the previous day’s close of trading or at such other time as the Authority may determine;

“key management officer” means any person who is appointed to a key management position referred to in regulation 9(3), 19(3) or 24(2);

“position”, in relation to a futures contract, means a futures contract which is still outstanding and which has not been liquidated —

- (a) by an off-setting transaction;
- (b) by delivery of the commodity underlying the futures contract;
- (c) through settlement of the futures contract in accordance with the rules of a futures exchange or the practices of

a futures market or a recognised trading system provider, as the case may be; or

(d) by substituting the futures contract for cash commodity; “rules” means business rules and, where appropriate, listing rules;

“subsidiary” has the same meaning as in section 5 of the Companies Act (Cap. 50).

Directions in forms

3. A form prescribed by these Regulations shall be completed in accordance with such directions as may be prescribed in the form or as the Authority may specify.

Application for exemption from approval or recognition

4. For the purposes of section 5(2) or 6(2) of the Act, an application by any person for exemption from approval as a securities exchange or futures exchange or from recognition as a recognised trading system provider shall be made in Form 1 together with any relevant annex and information specified in that form.

Application for approval or recognition

5. An application —
- (a) for approval as a securities exchange or futures exchange shall be in Form 2;
 - (b) for approval as an exchange holding company shall be in Form 3; and
 - (c) for recognition as a recognised trading system provider shall be in Form 4,

and shall be lodged with the Authority together with —

- (i) Forms A and B;
- (ii) a copy of the rules of the securities exchange, futures exchange, exchange holding company or recognised trading system provider, as the case may be, being a copy which has been certified to be a true copy by the persons signing the application; and
- (iii) any relevant annex and information specified in the form.

Fees

6.—(1) The fees specified in the Second Schedule shall be payable to the Authority for the purposes specified therein, and shall not be refundable.

(2) Payment of the fees referred to in paragraph (1) may be made through such electronic funds transfer system as the Authority may designate from time to time, whereby payment is effected by directing the transfer of funds electronically from the bank account of the person making payment to a bank account designated by the Authority.

Time for document to be lodged

7. Where a document is required to be lodged with the Authority under Part II of the Act or under these Regulations but the period within which the document is to be lodged is not specified, the document shall be lodged within 14 days after the occurrence of the event to which the document relates.

Keeping of books and other information

8. A securities exchange, futures exchange or recognised trading system provider shall ensure that relevant books and other information as may be required by the Authority for the purposes of section 14 of the Act, as the case may be, are kept for a minimum of 6 years.

PART II

GOVERNANCE, REPORTING AND OPERATIONAL REQUIREMENTS FOR EXCHANGES

Application for appointment of chief executive officer, director and key management officer

9.—(1) No securities exchange or futures exchange shall appoint a person as its chief executive officer or director unless such exchange has obtained the approval of the Authority.

(2) For the purposes of paragraph (1), a securities exchange or futures exchange shall submit to the Authority, in Form 5, an application for approval of the appointment of a person as its chief executive officer or director.

(3) Where the Authority in writing requires a securities exchange or futures exchange to submit an application for approval of the appointment of a person to any key management position of the

exchange, that exchange shall not appoint a person to such a position unless the exchange has obtained the approval of the Authority.

(4) Where an application is made by the exchange for approval of the appointment of a person as its chief executive officer, director or key management officer (referred to in this regulation as the appointee), the Authority may refuse the application if —

- (a) the exchange has not provided the Authority with such information relating to the appointee as the Authority may require;
- (b) the appointee is an undischarged bankrupt, whether in Singapore or elsewhere;
- (c) execution against the appointee in respect of a judgment debt has been returned unsatisfied in whole or in part;
- (d) the appointee has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his creditors, being a compromise or scheme of arrangement that is still in operation;
- (e) the appointee —
 - (i) has, in Singapore or elsewhere, been convicted of an offence involving fraud or dishonesty or the conviction for which involved a finding that he acted fraudulently or dishonestly; or
 - (ii) has been convicted of an offence under the Act;
- (f) the Authority is not satisfied as to the educational or other qualification, experience, past performance or expertise of the appointee, having regard to the nature of the duties he is to perform as a chief executive officer, director or key management officer, as the case may be;
- (g) the exchange which made the application fails to satisfy the Authority that the appointee is a fit and proper person to be a chief executive officer, director or key management officer, as the case may be, and is a person of integrity;
- (h) the Authority is not satisfied as to the financial standing of the appointee; or
- (i) the Authority has reason to believe that the appointee will not conduct himself with professionalism or will not act in an ethical manner in discharging the duties he is to perform as a chief executive officer, director or key management officer, as the case may be.

Appeals

10. A securities exchange or futures exchange that is aggrieved by the refusal of the Authority to grant an approval to the exchange to appoint a person as its chief executive officer, director or key management officer may, within 30 days after the exchange is notified of the decision, appeal to the Minister whose decision shall be final.

Responsibilities and duties of chief executive officer, director and key management officer

11.—(1) For the purposes of section 22(2) of the Act and without prejudice to any other matter that the Authority may consider relevant, the Authority may, in determining whether a chief executive officer, director or key management officer of a securities exchange or futures exchange has failed to discharge the duties or functions of his office, take into consideration whether the chief executive officer, director or key management officer has taken reasonable steps to discharge the following duties:

- (a) ensure the proper functioning of the exchange;
- (b) ensure the exchange complies with the Act and these Regulations, the Companies Act (Cap. 50) and any other relevant laws;
- (c) set out and ensure compliance with written policies on all operational areas of the exchange, including the exchange's financial policies, accounting and internal controls, internal auditing and compliance with all laws and rules governing the exchange's operations;
- (d) identify, monitor and address the risks associated with the business activities of the exchange;
- (e) ensure that the business activities of the exchange are subject to adequate internal audit;
- (f) oversee the exchange's financial undertaking or exposure to risk of any nature, by setting out proper delegation limits and risk management controls; and
- (g) ensure —
 - (i) that the exchange keeps written records of the steps taken by it to monitor compliance with its policies, the limits on discretionary powers and its accounting and operating procedures; and
 - (ii) that every report, return or statement submitted by the exchange to the Authority is complete and accurate.

Submission of reports

12.—(1) A securities exchange or futures exchange shall submit to the Authority, in Form 6 or 7 respectively, periodic reports relating to the business of the securities exchange or futures exchange, as the case may be.

(2) A securities exchange or futures exchange shall submit to the Authority, on an annual basis, a report on how the securities exchange or futures exchange discharges its responsibilities under the Act and these Regulations.

(3) A securities exchange or futures exchange shall submit to the Authority at any time or on such periodic basis as may be required by the Authority, a report relating to the business of the securities exchange or futures exchange, any dealing in securities or trading in futures contracts, or any other information required by the Authority for the proper administration of the Act.

(4) Any report to be submitted by a securities exchange or futures exchange to the Authority under paragraph (2) or (3) shall be in a format approved by the Authority.

Annual report

13. A securities exchange or futures exchange shall, within 5 months after the end of its financial year or such longer period as the Authority may permit, lodge with the Authority a copy of its annual report prepared in accordance with the provisions of the Companies Act (Cap. 50), and the directors' report and statement.

Breach of business rules

14.—(1) Subject to paragraph (3), a securities exchange or futures exchange shall, as soon as practicable but no later than one business day after the date of the breach or such later time as may be permitted by the Authority, notify the Authority of any of the following:

- (a) a failure to adhere to the trading days, hours or sessions stipulated in the business rules of the securities exchange or futures exchange;
- (b) any disruption of, delay in, suspension of or termination in any trading procedure or trading practice, including those resulting from any system failure; or
- (c) such other breach of the business rules as the Authority may determine and inform the securities exchange or futures exchange of in writing from time to time.

(2) After giving the notification referred to in paragraph (1), the securities exchange or futures exchange shall, within 14 days from the date of the breach, notify the Authority in writing of the circumstances relating to the breach and the remedial action taken.

(3) The Authority may, in its discretion, waive the requirement for the notification referred to in paragraph (1) under such circumstances as it deems fit.

Business continuity plan

15.—(1) A securities exchange or futures exchange shall maintain at all times a plan of action (referred to in this regulation as a business continuity plan) setting out the procedures and establishing the systems necessary to restore fair, orderly and expeditious operations of the securities exchange or futures exchange in the event of any disruption to the processes of the securities exchange or futures exchange.

(2) A securities exchange or futures exchange shall review the procedures and systems referred to in paragraph (1) on such regular basis as may be specified in the business continuity plan.

(3) In the event that any of the procedures or systems referred to in paragraph (1) fails to provide a full and complete recovery of any part of the processes of the securities exchange or futures exchange, the securities exchange or futures exchange shall, as soon as practicable, notify the Authority of the event and the action taken to restore such processes.

(4) A securities exchange or futures exchange shall, within 14 days or such longer period as may be permitted by the Authority, inform the Authority of any change to the business continuity plan, and submit a copy of the new plan.

Determination of position and trading limits by futures exchange

16.—(1) The position and trading limits in respect of —

- (a) any futures contract listed on a futures exchange; and
- (b) any other contract traded by, through or with a member of a futures exchange which holds a capital markets services licence to trade in futures contracts,

may be determined from time to time by the futures exchange using such criteria or methodology as may be established by the futures exchange with the approval of the Authority.

(2) The limits under paragraph (1) may include limits on a person holding or controlling positions, separately or in combination, net long or net short, for the purchase or sale of a futures contract or an option on a futures equivalent basis.

(3) The Authority or the futures exchange may —

(a) require a person (or any person acting for him pursuant to an express or implied agreement or understanding) who holds or controls net long or net short positions in any futures contract in excess of the position limit set under paragraph (1), to trade under such conditions and restrictions as the Authority or the futures exchange considers necessary to ensure compliance with the position limit set under that paragraph; and

(b) require such person to do one or more of the following:

(i) to cease any further increase in his position;

(ii) to liquidate his position to comply with the position limit set under paragraph (1) within such time as may be determined by the Authority or the futures exchange, as the case may be; or

(iii) to be subject to other applicable requirements in respect of his position.

(4) Any person who contravenes or fails to comply with any condition, restriction or requirement imposed by the Authority under paragraph (3) shall be guilty of an offence and shall be liable on conviction —

(a) in the case of an individual, to a fine not exceeding \$25,000 or to imprisonment for a term not exceeding 12 months or to both; or

(b) in the case of a corporation, to a fine not exceeding \$50,000.

Requirement for futures exchange to register trading personnel

17. A futures exchange shall not allow any person —

(a) in or around any pit or other place provided by the futures exchange for trading of futures contracts, to purchase or sell for another person or for his own account any futures contract; or

(b) to purchase or sell for another person or for his own account using any electronic system provided by the

futures exchange through which trading in futures contracts is carried out,

unless that person is registered with the futures exchange and such registration has not expired or been suspended or revoked by the futures exchange.

Amounts to be paid out of fidelity funds

18.—(1) For the purposes of section 186(10) of the Act, the prescribed amount shall be \$2,000,000.

(2) For the purposes of section 186(11) of the Act, the prescribed amount shall be \$50,000.

PART III

GOVERNANCE AND REPORTING REQUIREMENTS FOR EXCHANGE HOLDING COMPANIES

Application for appointment of chief executive officer, director and key management officer

19.—(1) No exchange holding company shall appoint a person as its chief executive officer or director unless such exchange holding company has obtained the approval of the Authority.

(2) For the purposes of paragraph (1), an exchange holding company shall submit to the Authority, in Form 5, an application for approval of the appointment of a person as its chief executive officer or director.

(3) Where the Authority in writing requires an exchange holding company to submit an application for approval of the appointment of a person to any key management position of the exchange holding company, that exchange holding company shall not appoint a person to such a position unless the exchange holding company has obtained the approval of the Authority.

(4) Where an application is made by the exchange holding company for approval of the appointment of a person as its chief executive officer, director or key management officer (referred to in this regulation as the appointee), the Authority may refuse the application if —

- (a) the exchange holding company has not provided the Authority with such information relating to the appointee as the Authority may require;

- (b) the appointee is an undischarged bankrupt, whether in Singapore or elsewhere;
- (c) execution against the appointee in respect of a judgment debt has been returned unsatisfied in whole or in part;
- (d) the appointee has, whether in Singapore or elsewhere, entered into a compromise or scheme of arrangement with his creditors, being a compromise or scheme of arrangement that is still in operation;
- (e) the appointee —
 - (i) has been convicted, whether in Singapore or elsewhere, of an offence involving fraud or dishonesty or the conviction for which involved a finding that he acted fraudulently or dishonestly; or
 - (ii) has been convicted of an offence under the Act;
- (f) the Authority is not satisfied as to the educational or other qualification, experience, past performance or expertise of the appointee having regard to the nature of the duties he is to perform as a chief executive officer, director or key management officer, as the case may be;
- (g) the exchange holding company which made the application fails to satisfy the Authority that the appointee is a fit and proper person to be a chief executive officer, director or key management officer, as the case may be, and is a person of integrity;
- (h) the Authority is not satisfied as to the financial standing of the appointee; or
- (i) the Authority has reason to believe that the appointee will not conduct himself with professionalism or will not act in an ethical manner in discharging the duties he is to perform as a chief executive officer, director or key management officer, as the case may be.

Appeals

20. An exchange holding company that is aggrieved by the refusal of the Authority to grant an approval to the exchange holding company to appoint a person as its chief executive officer, director or key management officer may, within 30 days after the exchange holding company is notified of the decision, appeal to the Minister whose decision shall be final.

Responsibilities and duties of chief executive officer, director and key management officer

21.—(1) For the purposes of section 33(2) of the Act and without prejudice to any other matter that the Authority may consider relevant, in determining whether a chief executive officer, director or key management officer of an exchange holding company has failed to discharge the duties or functions of his office, the Authority may take into consideration whether the chief executive officer, director or key management officer has taken reasonable steps to discharge the following duties:

- (a) ensure the proper functioning of the exchange holding company;
- (b) ensure the exchange holding company's compliance with the Act and these Regulations, the Companies Act (Cap. 50) and any other relevant laws;
- (c) set out and ensure compliance with written policies on all operational areas of the exchange holding company, including the exchange holding company's financial policies, accounting and internal control, internal auditing and compliance with the Act and rules governing the exchange holding company's operations;
- (d) identify, monitor and address the risks associated with the business activities of the exchange holding company;
- (e) ensure that the business activities of the exchange holding company are subject to adequate internal audit;
- (f) oversee the exchange holding company's financial undertaking or exposure to risk of any nature, by setting out proper delegation limits and risk management controls; and
- (g) ensure —
 - (i) that the exchange holding company keeps written records of the steps taken by it to monitor compliance with its policies, the limits on discretionary powers and its accounting and operating procedures; and
 - (ii) that every report, return or statement submitted by the exchange holding company to the Authority is complete and accurate.

Annual report

22. An exchange holding company shall, within 5 months after the end of its financial year or such longer period as the Authority

may permit, lodge with the Authority a copy of its annual report prepared in accordance with the provisions of the Companies Act (Cap. 50), and the directors' report and statement.

PART IV

GOVERNANCE AND REPORTING REQUIREMENTS FOR RECOGNISED TRADING SYSTEM PROVIDERS

Notification of change in substantial shareholder

23. A recognised trading system provider shall, within 21 days of entering into any agreement with a person whereby such person will acquire shares and, if the agreement is carried out, acquire a substantial shareholding in the recognised trading system provider, notify the Authority in writing of such agreement.

Notification of appointment of chief executive officer, director and key management officer

24.—(1) A recognised trading system provider shall, within 21 days of the appointment of a person as chief executive officer or director, notify the Authority of such appointment.

(2) The Authority may, in writing, require a recognised trading system provider to notify the Authority of the appointment of a person to any key management position of the recognised trading system provider.

Responsibilities and duties of chief executive officer, director or key management officer

25.—(1) For the purposes of section 44(2) of the Act and without prejudice to any other matter that the Authority may consider relevant, in determining whether a chief executive officer, director or key management officer of a recognised trading system provider has failed to discharge the duties or functions of his office, the Authority may take into consideration whether the chief executive officer, director or key management officer has taken reasonable steps to discharge the following duties:

- (a) ensure the proper functioning of the recognised trading system provider;
- (b) ensure the recognised trading system provider's compliance with the Act and these Regulations, and any other relevant laws;

- (c) set out and ensure compliance with written policies on all operational areas of the recognised trading system provider, including the recognised trading system provider's financial policies, accounting and internal controls, internal auditing and compliance with all laws and rules governing the recognised trading system provider's operations;
- (d) identify, monitor and address the risks associated with the business activities of the recognised trading system provider;
- (e) ensure that the business activities of the recognised trading system provider are subject to adequate internal audit;
- (f) oversee the recognised trading system provider's financial undertaking or exposure to risk of any nature, by setting out proper delegation limits and risk management controls; and
- (g) ensure —
 - (i) that the recognised trading system provider keeps written records of the extent to which it monitors compliance with its policies, the limits on its activities, and its accounting and operating procedures; and
 - (ii) that every report, return or statement submitted by the recognised trading system provider to the Authority is complete and accurate.

Submission of reports

26.—(1) A recognised trading system provider shall submit to the Authority at any time or on such periodic basis as may be required by the Authority, a report relating to the business of the recognised trading system provider, any dealing in securities or trading in futures contracts, or any other information required by the Authority for the proper administration of the Act.

(2) Any report to be submitted by a recognised trading system provider to the Authority under paragraph (1) shall be in a format approved by the Authority.

Annual report

27. A recognised trading system provider shall, within 5 months after the end of its financial year or such longer period as the Authority may permit, lodge with the Authority a copy of its annual report.

PART V

OFFENCES

Offences

28. Unless otherwise provided in these Regulations, any corporation which contravenes any provision of these Regulations shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$200,000.

PART VI

TRANSITIONAL AND SAVINGS

Definitions of this Part

29. In this Part —

“FTA” means the Futures Trading Act (Cap. 111) in force immediately before 1st October 2002;

“SIA” means the Securities and Futures Act (Cap. 289) in force immediately before 1st October 2002.

Deemed securities exchange

30.—(1) The company known as the Singapore Exchange Securities Trading Ltd shall be deemed to have been approved as a securities exchange under section 9 of the Act.

(2) The requirements of sections 9(4) and 10 of the Act and any regulations made under section 7 of the Act relating to the approval of a corporation as a person who establishes or operates a securities market as a securities exchange shall not by virtue only of paragraph (1) be deemed to have been satisfied for the purpose of any other provision of Part II of the Act.

(3) Any condition or restriction imposed by the Authority, by notice in writing, on the Singapore Exchange Securities Trading Ltd shall be deemed to be a condition or restriction to which the approval under section 9 of the Act is subject.

(4) Section 11 of the Act shall apply to the Singapore Exchange Securities Trading Ltd only after the expiry of the period of 6 months from 1st October 2002.

Persons deemed to be exempted under section 5(3) of Act to operate stock market

31.—(1) Any person who, immediately before 1st October 2002, had been granted a dealer's licence under section 29 of the SIA and maintains a stock market in respect of which a declaration under section 15(2) of the SIA is in force immediately before 1st October 2002 shall be deemed to have been granted an exemption under section 5(3) of the Act to operate that stock market.

(2) Any condition or restriction —

- (a) to which the declaration under section 15(2) of the SIA of that stock market is subject; or
- (b) imposed by the Authority, by notice in writing, on the person referred to in paragraph (1),

shall be deemed to be a condition or restriction to which the exemption under section 5(3) of the Act is subject.

Persons deemed to be exempted under section 5(5) of Act to operate stock market, etc.

32.—(1) Any person who, immediately before 1st October 2002, maintains a stock market in respect of which a declaration under section 15(2) of the SIA is in force immediately before that date shall be deemed to have been declared under section 5(5) of the Act to be exempt from the prohibition under section 5(1) of the Act from 1st October 2002.

(2) The Authority may give a written notice to a person referred to in paragraph (1), stating that from the date of the notice that person shall be deemed to have been recognised as a recognised trading system provider under section 36 of the Act.

(3) Where a written notice referred to in paragraph (2) is given to a person referred to in paragraph (1), that person shall, if he continues to maintain that stock market immediately before the notice is given, be deemed to be recognised as a recognised trading system provider under section 36 of the Act from the date of the notice.

(4) This regulation does not apply to a person referred to in regulation 31.

(5) Any condition or restriction —

- (a) to which the declaration under section 15(2) of the SIA of that stock market is subject; or

(b) imposed by the Authority, by notice in writing, on the person referred to in paragraph (1), shall —

(i) in the case of paragraph (1), be deemed to be a condition or restriction to which the declaration referred to in that paragraph is subject; or

(ii) in the case of paragraph (3), be deemed to be a condition or restriction to which the recognition referred to in that paragraph is subject.

(6) Notwithstanding paragraph (3), the requirements of sections 36(4) and (6) and 37 of the Act and any regulations made under section 7 of the Act relating to the recognition of a person as a person who establishes or operates a securities market as a recognised trading system provider shall not by virtue only of that paragraph be deemed to have been satisfied for the purpose of any other provision of Part II of the Act.

(7) Section 39 of the Act shall apply to a person deemed to be recognised as a recognised trading system provider under paragraph (3) only after the expiry of the period of 6 months from 1st October 2002.

Deemed futures exchange

33.—(1) The company known as the Singapore Exchange Derivatives Trading Ltd shall be deemed to have been approved as a futures exchange under section 9 of the Act.

(2) The requirements of sections 9(4) and 10 of the Act and any regulations made under section 7 of the Act relating to the approval of a corporation as a person who establishes or operates a futures market as a futures exchange shall not by virtue only of paragraph (1) be deemed to have been satisfied for the purpose of any other provision of Part II of the Act.

(3) Any condition or restriction imposed by the Authority, by notice in writing, on the Singapore Exchange Derivatives Trading Ltd shall be deemed to be a condition or restriction to which the approval under section 9 of the Act is subject.

(4) Section 11 of the Act shall apply to the Singapore Exchange Derivatives Trading Ltd only after the expiry of the period of 6 months from 1st October 2002.

Persons deemed to be exempted under section 6(3) of Act to operate futures market

34.—(1) Any person who, immediately before 1st October 2002, had been granted a futures broker's licence under section 12 of the

FTA and maintains a futures market in respect of which a declaration under section 3(3) of the FTA is in force immediately before 1st October 2002 shall be deemed to have been granted an exemption under section 6(3) of the Act to operate that futures market.

(2) Any requirement, condition or restriction —

(a) to which the declaration under section 3(3) of the FTA of that futures market is subject; or

(b) imposed by the Authority, by notice in writing, on the person referred to in paragraph (1),

shall be deemed to be a condition or restriction to which the exemption under section 6(3) of the Act is subject.

Persons deemed to be exempted under section 6(5) of Act to operate futures market, etc.

35.—(1) Any person who, immediately before 1st October 2002, maintains a futures market in respect of which a declaration under section 3(3) of the FTA is in force immediately before that date shall be deemed to have been granted an exemption under section 6(5) of the Act to be exempt from the contribution under section 6(1) of the Act from 1st October 2002.

(2) The Authority may give a written notice to a person referred to in paragraph (1), stating that from the date of the notice that person shall be deemed to have been recognised as a recognised trading system provider under section 36 of the Act.

(3) Where a written notice referred to in paragraph (2) is given to a person referred to in paragraph (1), that person shall, if he continues to maintain that futures market immediately before the notice is given, be deemed to be recognised as a recognised trading system provider under section 36 of the Act from the date of the notice.

(4) This regulation does not apply to a person referred to in regulation 34.

(5) Any condition or restriction —

(a) to which the declaration under section 3(3) of the FTA of that futures market is subject; or

(b) imposed by the Authority, by notice in writing, on the person referred to in paragraph (1), shall —

- (i) in the case of paragraph (1), be deemed to be a condition or restriction to which the declaration referred to in that paragraph is subject; or
- (ii) in the case of paragraph (3), be deemed to be a condition or restriction to which the recognition referred to in that paragraph is subject.

(8) Notwithstanding paragraph (3), the requirements of sections 36(4) and (6) and 37 of the Act and any regulations made under section 7 of the Act relating to the recognition of a person as a recognised trading system provider shall not by virtue only of that paragraph be deemed to have been satisfied for the purpose of any other provision of Part II of the Act.

(9) Section 39 of the Act shall apply to a person deemed to be recognised as a recognised trading system provider under paragraph (3) only after the expiry of the period of 6 months from 1st October 2002.

Directions to securities exchange and futures exchange

36.—(1) Any written direction issued to a securities exchange under section 21(1) of the SIA and in force immediately before 1st October 2002 shall be deemed to be a direction issued to that securities exchange under section 21(1) of the Act.

(2) Any direction issued to a futures exchange under section 49(1) of the FTA and in force immediately before 1st October 2002 shall be deemed to be a direction issued to that futures exchange under section 21(1) of the Act.

Listed futures contracts

37. Any futures contract listed on the Singapore Exchange Derivatives Trading Ltd immediately before 1st October 2002 shall be deemed to be a futures contract approved by the Authority under section 25 of the Act for listing on it.

Deemed exchange holding company

38.—(1) The company known as the Singapore Exchange Ltd shall be deemed to be an exchange holding company approved under section 29 of the Act.

(2) The arrangements of the Singapore Exchange Ltd in force immediately before 1st October 2002 shall be deemed to have satisfied the requirements of the Authority under section 31(1) of the Act for its securities to be listed for quotation on a securities exchange.

Directives to Singapore Exchange Ltd

39. Any directive issued to the Singapore Exchange Ltd under section 14(1) of the Exchanges (Demutualisation and Merger) Act (Cap. 99B) and in force immediately before 1st October 2002 shall be deemed to be a direction issued to it under section 32(1) of the Act.

revoked