

**Representative Notification Framework
Amendments to Futures Trading Rules – Chapter 2: Access and Membership**

Current Rule	Proposed Rule
2.4 Licensing and Credit Rating Requirements for Members, their Employees and Agents	2.4 Licensing and Credit Rating Requirements for Members, their Employees and Agents
<p>2.4.1 <u>Licensing Requirements for General Trading Members</u></p> <p>To the extent that any General Trading Member or its employees and agents engage in any Regulated Activity in the Markets, such General Trading Member and its employees and agents are required to procure and maintain the requisite licence(s) with MAS and independently satisfy such licensing requirements as contemplated under the applicable laws. “Regulated Activity” refers to any activity that requires a CMS Licence, representative’s licence, financial adviser’s licence or such other licence as required under the Act or Financial Advisers Act (Cap 110).</p>	<p>2.4.1 <u>Licensing and Registration Requirements for General Trading Members</u></p> <p>To the extent that any General Trading Member or its employees and agents engage in any Regulated Activity in the Markets, such General Trading Member and its employees and agents are required to procure and maintain the requisite licence(s) <u>and registration(s)</u> with MAS and independently satisfy such licensing <u>and registration</u> requirements as contemplated under the applicable laws. “Regulated Activity” refers to any activity that requires a CMS Licence, <u>registration in the Public Register of Representatives</u> representative’s licence, financial adviser’s licence or such other licence <u>or registration</u> as required under the Act or Financial Advisers Act (Cap 110).</p>
2.13 Registration of Approved Traders and Registered Representatives	2.13 Registration of Approved Traders and Registered Representatives
<p>2.13.1 <u>Registration Criteria for Approved Traders and Registered Representatives.</u></p> <p>A Member shall register with the Exchange any person acting on its behalf as an Approved Trader or a Registered Representative. To qualify for registration with the Exchange as an Approved Trader or</p>	<p>2.13.1 <u>Registration Criteria for Approved Traders and Registered Representatives.</u></p> <p>A Member shall register with the Exchange any person acting on its behalf as an Approved Trader or a Registered Representative. To qualify for registration with the Exchange as an Approved Trader or</p>

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<p>Registered Representative, each applicant:</p> <p>(a) shall be sponsored by its respective corporate Member. If the applicant is an individual Trading Member this requirement shall not apply. For the avoidance of doubt an applicant may only be sponsored by a single corporate Member;</p> <p>(b) shall be at least twenty-one (21) years old and be of good character;</p> <p>(c) shall not have been convicted of any offence involving fraud or dishonesty;</p> <p>(d) shall not be an undischarged bankrupt in Singapore or elsewhere;</p> <p>(e) shall have</p> <p>(i) in the case of an applicant Registered Representative, passed the requisite examinations certifying that the applicant is competent to undertake the proposed activities; or</p> <p>(ii) in the case of an applicant Approved Trader, completed the relevant training and the Trading Member or the individual applicant shall certify that the applicant is competent to undertake the proposed activities;</p> <p>(f) shall, where applicable, hold a valid capital markets services representative's licence unless exempted under the Act and such licence is not suspended or revoked or has not expired; and</p> <p>(g) shall comply with such other additional requirements as the</p>	<p>Registered Representative, each applicant:</p> <p>(a) shall be sponsored by its respective corporate Member. If the applicant is an individual Trading Member this requirement shall not apply. For the avoidance of doubt an applicant may only be sponsored by a single corporate Member;</p> <p>(b) shall be at least twenty-one (21) years old and be <u>a fit and proper* person of good character</u>;</p> <p>(c) shall not have been convicted of any offence involving fraud or dishonesty;</p> <p>(d) shall not be an undischarged bankrupt in Singapore or elsewhere;</p> <p>(e) <u>where required by the Exchange</u>, shall have</p> <p>(i) — in the case of an applicant Registered Representative, passed the requisite examinations certifying that the applicant is competent to undertake the proposed activities; or</p> <p>(ii) — in the case of an applicant Approved Trader, completed the relevant training and the Trading Member or the individual applicant shall certify that the applicant is competent to undertake the proposed activities;</p> <p>(f) shall <u>be entered in the Public Register of Representatives as an appointed representative, provisional representative or temporary representative in respect of the relevant activities, where applicable, hold a valid capital markets services representative's licence</u> unless exempted under the Act and <u>whose status as an appointed</u></p>

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Exchange deems fit.	<p><u>representative, provisional representative or temporary representative such licence</u> is not suspended or revoked or has not expired; and</p> <p>(g) shall comply with such other additional requirements as the Exchange deems fit.</p> <p><u>* The Exchange shall evaluate “fit and proper” criteria in this Rule 2.13.1 in a manner similar to the MAS Guidelines on Fit and Proper Criteria.</u></p>
<p>2.13.3 <u>Registration of Registered Representatives.</u></p> <p>The following requirements apply in relation to the registration of Registered Representatives:</p> <p>(a) every Registered Representative shall be required to register with the Exchange before he acts or holds himself out as a sales representative of the respective Member. A Registered Representative shall not act or hold himself out as having the authority to execute trades on the Markets, unless he is registered as an Approved Trader with the Exchange as contemplated under this Rules. Upon being registered as a Registered Representative with the Exchange, a Registered Representative may, in the name of such Member:</p> <p>(i) solicit Customers, solicit or accept orders from Customers, and give advice to Customers for the purchase or sale of contracts; and</p> <p>(ii) in connection with the purchase or sale of contracts</p>	<p>2.13.3 <u>Registration of Registered Representatives.</u></p> <p>The following requirements apply in relation to the registration of Registered Representatives:</p> <p>(a) <u>e</u>Every Registered Representative shall be required to register with the Exchange before he acts or holds himself out as a sales representative of the respective Member. A Registered Representative shall not act or hold himself out as having the authority to execute trades on the Markets, unless he is registered as an Approved Trader with the Exchange as contemplated under this Rules. Upon being registered as a Registered Representative with the Exchange, a Registered Representative may, in the name of such Member:</p> <p>(a) <u>(a)</u> solicit Customers, solicit or accept orders from Customers, and give advice to Customers for the purchase or sale of contracts; and</p> <p>(b) <u>(b)</u> in connection with the purchase or sale of contracts provide feedback on market sentiment or market conditions, quote prices, and</p>

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<p>provide feedback on market sentiment or market conditions, quote prices, and provide confirmation to Customers regarding orders which have been executed;</p> <p>and</p> <p>(b) to the extent that a Registered Representative procures a temporary licence from MAS, the Exchange shall effect temporary registration for the corresponding duration as contemplated under the Act.</p>	<p>provide confirmation to Customers regarding orders which have been executed;⁵</p> <p>and</p> <p>(b) to the extent that a Registered Representative procures a temporary licence from MAS, the Exchange shall effect temporary registration for the corresponding duration as contemplated under the Act.</p>
<p><u>2.13.6 Revocation of Registration of Approved Traders and Registered Representatives.</u></p> <p>A Member shall immediately notify the Exchange if:</p> <p>(a) MAS revokes, or withdraws the exemption from holding, the licence required for the conduct of activities of any of its Registered Representatives;</p> <p>(b) any of its Approved Traders or Registered Representatives is of unsound mind;</p> <p>(c) any of its Approved Traders or Registered Representatives is bankrupt;</p> <p>(d) any of its Approved Traders or Registered Representatives is subject to a composition or scheme of arrangement with his creditors, whether in or out of Singapore;</p> <p>(e) a judgment debt entered against any of its Approved Traders or</p>	<p><u>2.13.6 Revocation of Registration of Approved Traders and Registered Representatives.</u></p> <p>A Member shall immediately notify the Exchange if:</p> <p>(a) MAS revokes, or withdraws the exemption from holding, the licence required for the conduct of activities of any of its <u>Approved Traders or Registered Representatives</u> ceases to be an appointed representative, provisional representative or temporary representative in respect of the relevant activities, as contemplated under the Securities and Futures Act;</p> <p><u>(aa) any of its Approved Trader's or Registered Representative's exemption from registration in the Public Register of Representatives as an appointed representative, provisional representative or temporary representative in respect of the relevant activities is withdrawn;</u></p> <p>(b) any of its Approved Traders or Registered Representatives is of unsound mind;</p>

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<p>Registered Representatives remains unsatisfied in whole or in part; or</p> <p>(f) the Approved Trader (other than an individual Trading Member) or a Registered Representative ceases to transact business through the Member or ceases to be sponsored by the Member.</p> <p>The registration of an Approved Trader or a Registered Representative shall automatically lapse upon such notification, or the cessation of his sponsoring Member's Membership.</p>	<p>(c) any of its Approved Traders or Registered Representatives is bankrupt;</p> <p>(d) any of its Approved Traders or Registered Representatives is subject to a composition or scheme of arrangement with his creditors, whether in or out of Singapore;</p> <p>(e) a judgment debt entered against any of its Approved Traders or Registered Representatives remains unsatisfied in whole or in part; or</p> <p>(f) the Approved Trader (other than an individual Trading Member) or a Registered Representative ceases to transact business through the Member or ceases to be sponsored by the Member.</p> <p>The registration of an Approved Trader or a Registered Representative shall automatically lapse upon such notification, or the cessation of his sponsoring Member's Membership.</p>
<p><u>2.13.7 Summary Powers of Suspension of Registration of Approved Traders and Registered Representatives.</u></p> <p>Notwithstanding and without prejudice to the powers of the Appeals Committee or the Disciplinary Committee, the Exchange may suspend in whole or in part the privileges of any Approved Trader or a Registered Representative for a period of up to one (1) year upon the occurrence of any of the following events:</p> <p>(a) the sponsoring Member's trading privileges are suspended pursuant to Rule 2.15.2;</p> <p>(b) an application by an Approved Trader or a Registered</p>	<p><u>2.13.7 Summary Powers of Suspension of Registration of Approved Traders and Registered Representatives.</u></p> <p>Notwithstanding and without prejudice to the powers of the Appeals Committee or the Disciplinary Committee, the Exchange may suspend in whole or in part the privileges of any Approved Trader or a Registered Representative for a period of up to one (1) year upon the occurrence of any of the following events:</p> <p>(a) the sponsoring Member's trading privileges are suspended pursuant to Rule 2.15.2;</p> <p>(b) an application by an Approved Trader or a Registered</p>

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<p>Representative for registration contains material errors or omissions or is misleading in a material respect;</p> <p>(c) an Approved Trader or a Registered Representative is found guilty in a court of law of misconduct or willful neglect in a manner contrary to the Act;</p> <p>(d) an Approved Trader or a Registered Representative is convicted of an offence involving fraud or dishonesty;</p> <p>(e) an Approved Trader or a Registered Representative files a petition for bankruptcy;</p> <p>(f) a Registered Representative's licence under the Act is suspended, revoked, or has expired, or, in the case of a Registered Representative who is exempted from holding a licence under the Act, MAS imposes conditions or restrictions on the Registered Representative;</p> <p>(g) an Approved Trader or a Registered Representative fails to pay any fee, levy or charge as prescribed by the Exchange from time to time; or</p> <p>(h) an Approved Trader or a Registered Representative acts in a manner which in the Exchange's opinion:</p> <p style="padding-left: 20px;">(i) impairs the goodwill or reputation of the Exchange or any Markets; or</p> <p style="padding-left: 20px;">(ii) impairs the operation of a fair, orderly and transparent market by the Exchange.</p>	<p>Representative for registration contains material errors or omissions or is misleading in a material respect;</p> <p>(c) an Approved Trader or a Registered Representative is found guilty in a court of law of misconduct or willful neglect in a manner contrary to the Act;</p> <p>(d) an Approved Trader or a Registered Representative is convicted of an offence involving fraud or dishonesty;</p> <p>(e) an Approved Trader or a Registered Representative files a petition for bankruptcy;</p> <p>(f) <u>an Approved Trader or a Registered Representative's status in the Public Register of Representatives as an appointed representative, provisional representative or temporary representative licensee under the Act</u> is suspended, revoked, or has expired, or, in the case of a Registered Representative who is exempted from holding a licence under the Act, MAS imposes conditions or restrictions on the Registered Representative;</p> <p><u>(fa) MAS has imposed conditions or restrictions on an Approved Trader or a Registered Representative's exemption from registration in the Public Register of Representatives as an appointed representative, provisional representative or temporary representative in respect of the relevant activities;</u></p> <p>(g) an Approved Trader or a Registered Representative fails to pay any fee, levy or charge as prescribed by the Exchange from time to time; or</p>

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	(h) an Approved Trader or a Registered Representative acts in a manner which in the Exchange’s opinion: <ul style="list-style-type: none"> (i) impairs the goodwill or reputation of the Exchange or any Markets; or (ii) impairs the operation of a fair, orderly and transparent market by the Exchange.
<p>2.13.7A <u>Duty to Notify the Exchange of Matters Concerning Approved Traders and Registered Representatives.</u></p> <p>A Member shall immediately notify the Exchange upon the occurrence of any of the events in Rule 2.13.7(c), (d), (e) and (f).</p>	<p>2.13.7A <u>Duty to Notify the Exchange of Matters Concerning Approved Traders and Registered Representatives.</u></p> <p>A Member shall immediately notify the Exchange upon the occurrence of any of the events in Rule 2.13.7(c), (d), (e), and (f) <u>and (fa).</u></p>

Amendments to Futures Trading Rules – Chapter 3: Conduct of Members, Approved Traders and Representatives

Current Rule	Proposed Rule
<p>3.2 Duties Applicable to All Members, Approved Traders and Registered Representatives</p>	<p>3.2 Duties Applicable to All Members, Approved Traders and Registered Representatives</p>
<p>3.2.8 <u>Advertising Guidelines.</u></p> <p>A Member, Approved Trader and Registered Representative shall ensure that any advertising, market letters or similar information that they issue, in the form and context in which such advertisements, market letters or similar information appear or are used:</p>	<p>3.2.8 <u>Advertising Guidelines.</u></p> <p>A Member, Approved Trader and Registered Representative shall ensure that any advertising, market letters or similar information that they issue, in the form and context in which such advertisements, market letters or similar information appear or are used:</p>

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Current Rule	Proposed Rule
<p>(a) shall be true to the best of their knowledge and belief;</p> <p>(b) shall make no promise with respect to profits, always indicating the possibility of losses if profits are mentioned;</p> <p>(c) shall not misrepresent their Membership, registration, or the privileges which they enjoy under this Rules, in relation to the Exchange; and</p> <p>(d) shall not misrepresent the authorisation, licence or permission, if any, which they possess from the appropriate regulatory body.</p> <p>If the Exchange finds any advertising, market letters or similar information issued by a Member, Approved Trader or Registered Representative to be in contravention of this Rule 3.2.8, it may require all such prospective advertising, market letters or similar information issued by that Member, Approved Trader or Registered Representative to be submitted to the Exchange for approval prior to release.</p>	<p>(a) shall be true to the best of their knowledge and belief;</p> <p>(b) shall make no promise with respect to profits, always indicating the possibility of losses if profits are mentioned;</p> <p>(c) shall not misrepresent their Membership, registration, or the privileges which they enjoy under this Rules, in relation to the Exchange; and</p> <p>(d) shall not misrepresent <u>any</u> the authorisation, licence or permission, if any, which they possess from, <u>or any registration with,</u> the appropriate regulatory body.</p> <p>If the Exchange finds any advertising, market letters or similar information issued by a Member, Approved Trader or Registered Representative to be in contravention of this Rule 3.2.8, it may require all such prospective advertising, market letters or similar information issued by that Member, Approved Trader or Registered Representative to be submitted to the Exchange for approval prior to release.</p>

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Amendments to Futures Trading Rules – Chapter 8: Definitions and Interpretation

Current Rule	Proposed Rule
8.1 Definitions	8.1 Definitions
New definition.	<p><u>Public Register of Representatives</u> <u>Refers to the records of appointed representatives, provisional representatives and temporary representatives kept by the Authority in accordance with the Securities and Futures Act;</u></p>

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