

CHAPTER 14
DISCIPLINARY AND APPEALS PROCEDURES, AND ENFORCEMENT POWERS
OF THE EXCHANGE

PART I SCOPE OF CHAPTER

- 1401** (1) This Chapter sets out:
- (a) the purpose of the Disciplinary Committee and Appeals Committee;
 - (b) the administrative and enforcement powers of the Exchange;
 - (c) the process for disciplinary proceedings and appeals proceedings; and
 - (d) the powers of the Disciplinary Committee and Appeals Committee.
- (2) For the purposes of this Chapter, the following terms, unless the context requires otherwise, have the following meanings:

Term	Meaning
“Relevant Person”	means an issuer, its directors, executive officers, and issue managers.
“Relevant Rule”	means the relevant provision(s) in the Exchange’s listing rules.

- 1402** For the purposes of this Chapter, a Relevant Person is deemed to have contravened a Relevant Rule when a Relevant Person has:
- (1) committed an act in breach of a Relevant Rule;
 - (2) omitted to do an act which resulted in a breach of a Relevant Rule;
 - (3) failed to comply with a requirement imposed by the Exchange;
 - (4) failed to comply with a requirement imposed or an order issued by the Disciplinary Committee or Appeals Committee;
 - (5) caused another Relevant Person to commit an act in breach of a Relevant Rule;
 - (6) caused another Relevant Person to omit to do an act which resulted in a breach of a Relevant Rule;
 - (7) caused another Relevant Person to fail to comply with a requirement imposed by the Exchange; or

- (8) caused another Relevant Person to fail to comply with a requirement imposed or order issued by the Disciplinary Committee or the Appeals Committee.

PART II TYPES OF COMMITTEES

Disciplinary Committee

- 1403** (1) The Disciplinary Committee shall, as a tribunal of first instance, hear and determine charges brought by the Exchange against a Relevant Person for contravention of any Relevant Rule.
- (2) The Disciplinary Committee shall comprise persons appointed by the Board in consultation with the Authority, and shall not have a member who is, or who within 3 years of the proposed appointment date was, a director, officer or employee of:
- (a) SGX; or
 - (b) a related corporation of SGX.
- (3) The Disciplinary Committee shall hear and determine charges by convening a Disciplinary Committee hearing, subject to the following conditions:
- (a) a Disciplinary Committee hearing shall have an initial quorum of 5 members, including the chairman or deputy chairman of the Disciplinary Committee, but may be concluded with a quorum of 3 members; and
 - (b) the quorum of a Disciplinary Committee hearing shall comprise at least 1 member with legal experience and the remaining members with any of the following experience:
 - (i) corporate finance experience;
 - (ii) directorship experience in an issuer listed on the Exchange; and
 - (iii) accounting experience.
- (4) The Disciplinary Committee may hear and determine charges against a Relevant Person even if the Relevant Person is no longer a Relevant Person at the time of the Disciplinary Committee hearing, so long as the Relevant Person was a Relevant Person at the time of the alleged contravention.
- (5) Charges brought before the Disciplinary Committee shall be decided by a simple majority of votes by its members. In the case of an equality of votes, the chairman of the hearing shall be entitled to a casting vote.
- (6) The chairman of the Disciplinary Committee has the following powers:

- (a) the fixing of the date of the hearing;
 - (b) fixing the timelines for filing of documents for the hearing;
 - (c) determining if obtaining legal advice is necessary;
 - (d) determining if confidential information related to the proceedings may be disclosed to a third party;
 - (e) establishing procedures for the hearing which are not contrary to the Exchange's listing rules;
 - (f) determining if the composition of the Disciplinary Committee may be varied after the hearing has commenced; and
 - (g) determining all administrative and procedural matters relating to a hearing.
- (7) In the absence of the chairman of the Disciplinary Committee, the deputy chairman of the Disciplinary Committee shall have all the powers of the chairman of the Disciplinary Committee.
- (8) The Disciplinary Committee shall be supported by a secretariat which reports to the chairman of the Disciplinary Committee.
- (9) The chairman of the Disciplinary Committee may delegate any of his powers or duties under Rules 1403(6), 1415(1), 1415(2), 1415(6) and 1416(1) to any member of the Disciplinary Committee or the Disciplinary Committee secretariat.
- (10) References to the chairman of the Disciplinary Committee in Rules 1403(6), 1415(1), 1415(2), 1415(6) and 1416(1) shall refer to the deputy chairman, the member or secretariat who has been delegated the relevant powers of the chairman.

Appeals Committee

- 1404** (1) The Appeals Committee shall hear and decide appeals arising from:
- (a) decisions of the Disciplinary Committee; and
 - (b) decisions of the Exchange relating to any of the following matters:
 - (i) rejection of an application for the extension of time to allow an issuer to restore its percentage of securities in public hands to at least 10% under Rule 724;
 - (ii) rejection of a proposal by a cash company to meet requirements for a new listing under Rule 1018;

- (iii) rejection of an application for extension of time to meet requirements for a new listing under Rule 1018;
 - (iv) rejection of a resumption proposal under Rule 1304;
 - (v) rejection of an application for extension of time to submit or implement a resumption proposal under Rule 1304;
 - (vi) removal of an issuer from the Official List under Rule 1305;
 - (vii) rejection of a proposal by an issuer to voluntarily delist under Rule 1307;
 - (viii) rejection of an application to exit from the watch-list under Rule 1314; and
 - (ix) rejection of an application for extension of time to submit an application to exit from the watch-list under Rule 1315.
- (2) The Appeals Committee shall comprise persons appointed by the Board in consultation with the Authority, but shall not have a member who is, or who within 3 years of the proposed appointment date was, a director, officer or employee of:
- (a) SGX; or
 - (b) a related corporation of SGX.
- (3) The Appeals Committee shall hear and determine appeals by convening an Appeals Committee hearing, subject to the following conditions:
- (a) an Appeals Committee hearing shall have an initial quorum of 5 members, including the chairman or deputy chairman of the Appeals Committee, but may conclude with a quorum of 3 members; and
 - (b) the quorum of an Appeals Committee hearing shall comprise at least 1 member with legal experience and the remaining members with any of the following experience:
 - (i) corporate finance experience;
 - (ii) directorship experience in an issuer listed on the Exchange; and
 - (iii) accounting experience.
- (4) The Appeals Committee may hear and determine appeals concerning a Relevant Person even if the Relevant Person is no longer a Relevant Person at the time of the

Appeals Committee hearing, so long as the Relevant Person was a Relevant Person at the time of the alleged contravention or decision of the Exchange.

- (5) Appeals brought before the Appeals Committee shall be decided by a simple majority of votes by its members. In the case of an equality of votes, the chairman of the hearing shall be entitled to a casting vote.
- (6) The chairman of the Appeals Committee has the following powers:
 - (a) the fixing of the date of the hearing;
 - (b) fixing the timelines for filing of documents for the hearing;
 - (c) determining if obtaining legal advice is necessary;
 - (d) determining if confidential information related to the proceedings may be disclosed to a third party;
 - (e) establishing procedures for the hearing which are not contrary to the Exchange's listing rules;
 - (f) determining if the composition of the Appeals Committee may be varied after the hearing has commenced; and
 - (g) determining if an appeal has satisfied the bases for appeal required under Rule 1419(4) or Rule 1419(5); and
 - (h) determining all administrative and procedural matters related to a hearing.
- (7) In the absence of the chairman of the Appeals Committee, the deputy chairman of the Appeals Committee shall have all the powers of the chairman of the Appeals Committee.
- (8) The Appeals Committee shall be supported by a secretariat which reports to the chairman of the Appeals Committee.
- (9) The chairman of the Appeals Committee may delegate any of the powers or duties under Rules 1404(6), 1420(1), 1420(2), 1420(6) and 1421(1) to any member of the Appeals Committee or the Appeals Committee secretariat.
- (10) References to the chairman in Rules 1404(6), 1420(1), 1420(2), 1420(6) and 1421(1) shall refer to the deputy chairman, member or secretariat who has been delegated the relevant powers of the chairman.

PART III ADMINISTRATIVE AND ENFORCEMENT POWERS OF THE EXCHANGE

- 1405** (1) The Exchange may exercise administrative powers for the purposes of ensuring that the market is fair, orderly and transparent, and that the Exchange does not act contrary to the interests of the investing public, including the powers to:
- (a) issue public queries to an issuer;
 - (b) require an issuer to make specified disclosures;
 - (c) withhold approval of circulars and notices of meetings submitted by an issuer for review;
 - (d) require an issuer to obtain the prior approval of the Exchange under Rule 720(3)(a), for a period not exceeding 3 years, for the appointment of a director or an executive officer;
 - (e) object to the appointments of individual directors or executive officers in any issuer for a period not exceeding 3 years;
 - (f) require an issuer to appoint special auditors, compliance advisers, legal advisers or other independent professionals for specified purposes;
 - (g) waive or modify compliance with a listing rule (or part of a rule);
 - (h) place an issuer on the watch-list;
 - (i) halt or suspend trading of listed securities of an issuer under Rules 1302 and 1303;
 - (j) remove an issuer from the Official List under Rules 724(2), 1018(2), 1304, 1305(4) and 1315; and
 - (k) impose any other requirements on a Relevant Person which the Exchange considers appropriate.
- (2) The circumstances under which the Exchange may exercise its powers under Rule 1405(1)(e) include:
- (a) where the director or executive officer has refused to extend cooperation to the Exchange or other regulatory agencies on regulatory matters; and
 - (b) where the director or executive officer has wilfully contravened any relevant laws, rules and regulations.
- (3) The Exchange may exercise investigative and enforcement powers for the purposes of enforcing the Exchange's listing rules, including the powers to:
- (a) initiate and conduct investigations against a Relevant Person;

- (b) initiate disciplinary proceedings against a Relevant Person;
- (c) take enforcement action against a Relevant Person including the following:
 - (i) issuing a private warning to a Relevant Person;
 - (ii) offering a composition sum to an issuer;
 - (iii) requiring an issuer to implement an effective education or compliance programme;
 - (iv) requiring an issuer's directors or executive officers to undertake a mandatory education or training programme;
 - (v) requiring an issuer to undertake an independent review of internal controls and processes;
 - (vi) requiring an issuer to obtain the prior approval of the Exchange, for a period not exceeding 3 years, for the appointment of a director or an executive officer;
 - (vii) objecting to the appointments of individual directors or executive officers in any issuer for a period not exceeding 3 years;
 - (viii) requiring an issuer to appoint independent advisers to minority shareholders;
 - (ix) requiring an issuer to appoint special auditors, compliance advisers, legal advisers or other independent professionals for specified purposes;
 - (x) requiring a Relevant Person to perform other remedial action to rectify the consequences of contraventions;
 - (xi) imposing conditions on the accreditation of an issue manager;
 - (xii) suspending or restricting the activities of an issue manager if the integrity of the market may be adversely affected or if the Exchange thinks it necessary in the interests of the public or for the protection of investors. The Exchange will refer the matter to the Disciplinary Committee within 14 days from the date of suspension or restriction, whereupon the Disciplinary Committee will determine if the suspension or restriction should be lifted or should be continued for a specified period not exceeding 3 years;
 - (xiii) halting or suspending trading of listed securities of an issuer;

- (xiv) removing an issuer from the Official List; and
 - (xv) imposing any other requirements on a Relevant Person which the Exchange considers appropriate.
- (4) Where a Relevant Person does not comply with requirements imposed by the Exchange set out in Part III of this Chapter, the Relevant Person shall be deemed to have contravened the Exchange's listing rules.

Queries

- 1406** (1) The Exchange may pose queries to an issuer where the Exchange is of the opinion that queries are in the interests of ensuring the market is fair, orderly and transparent. Circumstances where queries may be raised include the following:
- (a) where the Exchange is of the opinion that information provided is either incomplete or unclear;
 - (b) where the Exchange has reason to believe that an issuer has failed to disclose information as required by the Exchange's listing rules;
 - (c) where the Exchange has reason to believe that there is a possibility that the Exchange's listing rules has not been complied with; or
 - (d) where the Exchange is of the opinion that it is appropriate to do so.
- (2) Upon receipt of a query from the Exchange, an issuer shall respond to the Exchange as soon as possible unless otherwise specified by the Exchange.
- (3) The Exchange may require an issuer to announce the Exchange's query to the issuer, the issuer's response to the query, or both.

Investigations

- 1407** The Exchange may conduct an investigation if:
- (1) the Exchange has reason to believe that there is a possibility that any Relevant Rule has been contravened by a Relevant Person;
 - (2) the Exchange receives a written complaint involving a Relevant Person;
 - (3) the Authority so directs; or
 - (4) the Exchange is of the opinion that the circumstances warrant it.

- 1408** For the purposes of an investigation, the Exchange may require that a Relevant Person comply with one or more the following requests:
- (1) to render all reasonable acts of assistance, at the Exchange’s premises or elsewhere, including:
 - (a) requests for information or written explanations; or
 - (b) requests for meetings to record statements from the Relevant Person;
 - (2) to provide copies of documents or electronic records in the possession of the Relevant Person by a specified date which shall be no less than 5 business days from the date of the request; or
 - (3) to obtain copies of documents or electronic records which may be reasonably obtained by the Relevant Person by a specified date which shall be no less than 7 business days from the date of the request. Where such documents or electronic records cannot be obtained, the Relevant Person shall provide a written explanation to:
 - (a) indicate why the documents or electronic records cannot be obtained; and
 - (b) indicate what steps have been taken to obtain the documents or electronic records.
- 1409** (1) Any Relevant Person complying with a request made under Rule 1408 shall take due care to ensure that information, documents or electronic records provided to the Exchange are not false or misleading in any material particular.
- (2) Any Relevant Person complying with a request made under Rule 1408 shall not wilfully make, furnish, authorize, or permit the giving of false or misleading information, documents or electronic records.
- 1410** (1) The Exchange may appoint any person or persons to assist in its investigation (“Exchange Examiner”). The Exchange may delegate all or any of its powers under Rule 1408 to the Exchange Examiner. The Exchange Examiner shall report the results of the investigation to the Exchange.
- (2) The Exchange may refer any investigations to another relevant investigating authority if the Exchange is of the opinion that the circumstances warrant the referral.

Composition offers

- 1411** (1) Upon the conclusion of investigations, the Exchange may provide an offer of composition to an issuer if the Exchange is of the opinion that the issuer has

contravened a Relevant Rule. The terms of the offer of composition include payment of a specified sum to the Exchange and may include the fulfillment of any accompanying terms that the Exchange may prescribe.

- (2) Where the Exchange provides an offer of composition to an issuer, the written offer shall contain the following details:
 - (a) the particulars of the issuer;
 - (b) the Relevant Rule which allegedly has been contravened;
 - (c) the brief facts giving rise to the alleged contravention;
 - (d) the composition sum and the accompanying terms;
 - (e) the manner by which the issuer is to respond to the offer; and
 - (f) the date by which the issuer is to respond to the offer.
- (3) Where there is more than 1 contravention by an issuer, the offer under Rule 1411(1) may be an amalgamated offer which deals with 2 or more similar contraventions. An amalgamated offer shall include all material information required under Rule 1411(2).
- (4) An offer under Rule 1411(1) may deal with 1 or more contraventions. Where a written offer under Rule 1411(1) deals with more than 1 contravention, the Exchange may choose to:
 - (a) proceed on selected contraventions; and
 - (b) take into consideration the remaining contraventions.
- (5) Upon receipt of the written offer, the issuer shall by a specified date which shall be no less than 7 business days from the date of the offer, provide to the Exchange:
 - (a) a written acceptance of the offer;
 - (b) a written rejection of the offer; or
 - (c) a written request for the Exchange to review its offer.
- (6) Upon receipt of a written request under Rule 1411(5)(c), the Exchange shall respond within 14 business days.
- (7) The Exchange may withdraw or vary a written offer made under Rule 1411 at any time before receipt of an acceptance to the offer, by providing written notice to the issuer.

- 1412** An offer of composition payable to the Exchange shall not exceed \$10,000 per contravention, subject to maximum of \$100,000 per offer for multiple contraventions. Subject to the decision of the Exchange, composition sums may be paid by instalments which shall not exceed 12 months from the date of acceptance of the written offer.
- 1413** (1) The Exchange may initiate disciplinary proceeding upon confirmation that an offer under Rule 1411(1) has been rejected. Where an issuer does not respond to a written offer under Rule 1411(1) within the specified period, the issuer shall be deemed to have rejected the offer and the Exchange may initiate disciplinary proceedings thereafter.
- (2) Upon compliance with all requirements specified in an offer under Rule 1411, the Exchange shall not initiate any further enforcement or disciplinary proceeding against the issuer in respect of the contraventions stated in the offer. The Exchange shall also not take any further action in respect of contraventions which were taken into consideration. Acceptance of the offer of composition by the issuer amounts to an admission of liability and the issuer will be deemed to have committed the conduct described in the charge and deemed to have waived the right to have the matter dealt with before the Disciplinary Committee.

PART IV DISCIPLINARY PROCEEDINGS

Initiation of proceedings

- 1414** (1) Upon the conclusion of investigations, the Exchange may initiate disciplinary proceeding against a Relevant Person if the Exchange is of the opinion that the Relevant Person has contravened a Relevant Rule.
- (2) Where the Exchange initiates disciplinary proceeding against a Relevant Person, the Exchange shall provide to the Relevant Person and the Disciplinary Committee, a charge which contains the following details:
- (a) the particulars of the Relevant Person;
 - (b) the Relevant Rule which has been contravened;
 - (c) the brief facts giving rise to the alleged contravention; and
 - (d) where applicable, a summary of the outcomes of enforcement or disciplinary proceedings taken against other Relevant Persons related to that matter.
- (3) Where there is more than 1 charge to be preferred against a Relevant Person, the Exchange may prefer an amalgamated charge which deals with 2 or more similar contraventions. An amalgamated charge shall include all material information required under Rule 1414(2).
- (4) The Exchange may prefer 1 or more charges. Where a Relevant Person faces more than 1 charge, the Exchange may:
- (a) proceed on all charges at a single hearing;
 - (b) choose to first proceed on only selected charges (“proceeded charges”) and proceed with the remaining charges only after the conclusion of the proceeded charges (“stood down charges”); or
 - (c) choose to proceed on only proceeded charges, but apply to have the remaining charges be taken into consideration as part of the sanctions to be imposed on the Relevant Person (“TIC charges”).
- 1415** (1) Upon receipt of the charge, the chairman shall determine all pre-hearing administrative issues under Rule 1403(6) and may issue relevant directions to parties to facilitate the convening of a hearing.
- (2) Upon the resolution of all pre-hearing administrative matters under Rule 1403(6), the chairman shall provide a notice of hearing which includes the following details:

- (a) the identity of the members of the Disciplinary Committee who will be present at the hearing;
 - (b) the dates and locations of the hearing;
 - (c) the time parties will be allocated during the hearing;
 - (d) the procedural rules to be complied with at the hearing;
 - (e) the disputed issues to be dealt with at the hearing (where necessary);
 - (f) the witnesses to be called at the hearing (where necessary); and
 - (g) the exhibits which may be relied upon at the hearing (where necessary).
- (3) Upon the issuance of the notice of hearing under Rule 1415(2), parties shall inform the Disciplinary Committee within 14 business days of the following:
- (a) whether there is any objection to the matters stated in the notice; and
 - (b) whether the party wishes to attend the hearing, and if so, the particulars of the persons who would be attending the hearing.
- (4) Where a party does not respond to a relevant direction issued under Rule 1415(1), the party is deemed to have no objection to the relevant direction, and the Disciplinary Committee may proceed as it deems fit.
- (5) Where a party does not indicate that the party is intending to attend the hearing, the party is deemed to have no intention of attending the hearing and the hearing can proceed in the absence of that party.
- (6) Where objections are raised in relation to any pre-hearing issues, the chairman shall determine the issue and inform the parties accordingly. The chairman's determination of a pre-hearing issue shall be final.

The hearing

- 1416** (1) The chairman of the Disciplinary Committee shall determine the manner by which a hearing is to be conducted, having due regard to the notice of hearing issued under Rule 1415(2).
- (2) No member of the Disciplinary Committee shall participate in a hearing if he has a conflict of interest.

- (3) Where the Disciplinary Committee is of the opinion that the charge is defective, the Disciplinary Committee may invite the Exchange to amend the charge, or directly amend the charge.
- (4) The Exchange may withdraw charges at any time before the decision of the Disciplinary Committee by providing the Disciplinary Committee and the Relevant Person a notice of discontinuance in relation to the withdrawn charges.
- (5) Where the Exchange has preferred more than 1 charge and has applied for the charges to be TIC charges under Rule 1414(4)(c), the Disciplinary Committee shall determine from the Relevant Person if there is any objection to the application.
- (6) The Exchange and the Relevant Person may be represented by legal counsel at the hearings.
- (7) The secretariat of the Disciplinary Committee must be informed in writing of the name of the legal counsel at least 14 business days before the hearing.

The written grounds of the Disciplinary Committee and sanctions

- 1417**
- (1) Upon conclusion of the hearing, the Disciplinary Committee shall within a specified period of no more than 6 weeks determine if the proceeded charges have been made out and provide a written grounds of decision.
 - (2) Where the Disciplinary Committee makes a finding that the proceeded charges are made out, the Disciplinary Committee shall also include in the written grounds, the sanctions which are to be imposed against the Relevant Person. The Disciplinary Committee may impose one or more of the following sanctions:
 - (a) issuing a private warning;
 - (b) issuing a public reprimand;
 - (c) in the case of an issuer:
 - (i) requiring an issuer to appoint special auditors, compliance advisers, legal advisers or other independent professionals for specified purposes;
 - (ii) requiring an issuer to implement an effective education or compliance programme;
 - (iii) requiring an issuer to appoint independent advisers to minority shareholders;
 - (iv) requiring an issuer's directors or executive officers to undertake a mandatory education or training programme;

- (v) requiring an issuer to undertake an independent review of internal controls and processes;
 - (vi) requiring an issuer to perform other remedial action to rectify the consequences of contraventions;
 - (vii) issuing an order for the denial of facilities of the market, prohibiting an issuer from accessing the facilities of the market for a specified period;
 - (viii) requiring an issuer to comply with conditions on the activities undertaken by the issuer;
 - (ix) imposing fines payable to the Exchange, of not more than \$250,000 per contravention, subject to a maximum of \$1,000,000 per hearing for multiple charges. Fines may be paid by way of instalments which shall not exceed 12 months from the date of the imposition of the fine;
 - (x) issuing an order for the suspension of the trading of an issuer's securities for a specified period; or
 - (xi) issuing an order for the removal of an issuer from the Official List;
- (d) in the case of an issue manager:
- (i) issuing an order for the suspension or restriction of an issue manager's activities, or for the continuation of the suspension or restriction of an issue manager's activities pursuant to Rule 1405(3)(c)(xii);
 - (ii) issuing an order for the prohibition of an issue manager from participating in any specific listing applications on the Exchange for a period not exceeding 3 years;
 - (iii) imposing conditions on the accreditation of an issue manager; or
 - (iv) issuing an order for the revocation of the accreditation of an issue manager;
- (e) in the case of a director or executive officer of an issuer:
- (i) requiring the resignation of the director or executive officer from an existing position with any issuer listed on the Exchange; or

- (ii) issuing an order prohibiting any issuer for a period not exceeding 3 years from appointing or reappointing the director or executive officer, as a director or executive officer, or both;
 - (f) issuing an order for costs, requiring that the proceedings be paid by a Relevant Person if the Relevant Person's conduct during proceedings was unreasonable; or
 - (g) issuing any other order which the Disciplinary Committee is of the opinion is appropriate.
- (3) Where the Disciplinary Committee finds that proceeded charges are made out, and the Relevant Person did not object under Rule 1416(5) to an application for charges to be TIC charges, the Disciplinary Committee shall consider the TIC charges before determining the appropriate sanctions. The Disciplinary Committee shall include in the written grounds of decision, the effect that the TIC charges had on the determination of the sanctions imposed.
- (4) Where the Disciplinary Committee considers a TIC charge and has included in the written grounds of decision, the effect that the TIC charge had on the determination of the sanctions imposed, the Exchange may not take any further disciplinary action against the Relevant Person in respect of the TIC charge.
- (5) Where a Relevant Person objects to an application for charges to be taken into consideration under Rule 1416(5), the charges shall be deemed to be stood down charges. The Disciplinary Committee shall not consider stood down charges when determining sanctions to be imposed.
- (6) The Exchange may proceed on the stood down charges by convening a separate Disciplinary Committee hearing.
- (7) Failure by a Relevant Person to comply with such requirements or orders issued by the Disciplinary Committee under Rule 1417(2) shall be deemed a contravention of the Exchange's listing rules.

Post-hearing

- 1418 (1) The Disciplinary Committee's written grounds of decision shall be published by the Exchange, unless the sanction imposed involves the issuance of a private warning. Where a private warning is issued by the Disciplinary Committee, the Disciplinary Committee shall determine whether the written grounds of decision is to be published, and if so, whether the written grounds of decision is to be published in part or in whole.
- (2) Where the Exchange has reason to believe that the requirements imposed or orders issued under Rule 1417(2) have not been complied with, the Exchange may report

the non-compliance to the Disciplinary Committee, and the Disciplinary Committee may provide a supplemental grounds of decision to impose further sanctions.

- (3) Where a fine or order for costs of the proceedings has been imposed against a Relevant Person and the Relevant Person does not make payment within the specified period, the outstanding sum shall be a debt payable to Exchange. The Exchange may commence legal action to recover that debt, subject to any subsequent payments made by the Relevant Person. The Exchange shall be entitled to claim reasonable interest, a month after the payment is due, based on the sum outstanding.
- (4) The Exchange may allow a stay of execution of the sanctions, or an extension of the relevant timelines when:
 - (a) a Relevant Person has filed a notice of appeal against the decision of the Disciplinary Committee;
 - (b) if a Relevant Person requires more time to comply with the sanctions imposed; or
 - (c) if the Exchange is of the opinion that the circumstances warrant it.

PART V APPEALS

Initiation of proceedings

- 1419**
- (1) A party may appeal against the decision of the Disciplinary Committee, or a decision of the Exchange specified under Rule 1404(1)(b), by filing a notice of appeal with the Appeals Committee within 14 business days of the relevant decision. An appellant other than the Exchange shall pay a non-refundable administrative fee of \$1,500 when filing a notice of appeal.
 - (2) Where a notice of appeal is filed after 14 business days of the relevant decision, the notice of appeal may only be accepted if the delay is accounted for to the satisfaction of the chairman.
 - (3) A notice of appeal shall be served on all parties involved, and shall contain the following details:
 - (a) the date and reference details of the decision;
 - (b) the Relevant Rule of the decision;
 - (c) the brief facts relevant to the decision;
 - (d) a summary of the decision;

- (e) the sanction imposed by the Disciplinary Committee or the decision taken by the Exchange; and
 - (f) a summary of the grounds of appeal which includes:
 - (i) the specific finding which is subject to appeal; and
 - (ii) the reasons in support of the appeal against that finding.
- (4) An appeal against a decision by the Disciplinary Committee may only be heard if the chairman is of the opinion that:
- (a) the Disciplinary Committee had acted in bad faith;
 - (b) there was procedural unfairness in the Disciplinary Committee's determination of the charges;
 - (c) there is fresh evidence, not previously available, which would likely have affected the decision of the Disciplinary Committee;
 - (d) the Disciplinary Committee had made a gross error in respect of a finding of fact;
 - (e) the Disciplinary Committee had made an error in respect of the interpretation of the Exchange's listing rules; or
 - (f) the sanctions imposed are manifestly excessive or inadequate.
- (5) An appeal against a decision by the Exchange referred to under Rule 1404(1)(b) may only be heard if the chairman is of the opinion that:
- (a) the Exchange had acted in bad faith;
 - (b) there was procedural unfairness in the Exchange's determination of the matter; or
 - (c) the Exchange had made an error in respect of the interpretation of the Exchange's listing rules.
- 1420** (1) Upon receipt of the notice of appeal, the chairman shall determine all pre-hearing administrative issues under Rule 1404(6) and may issue relevant directions to parties to facilitate the hearing.
- (2) Upon the resolution of all pre-hearing administrative matters under Rule 1404(6), the chairman shall provide a notice of hearing which includes the following details:
- (a) the identity of the members of the Appeals Committee who will be present at the hearing;

- (b) the dates and locations of the hearing;
 - (c) the time parties will be allocated during the hearing;
 - (d) the procedural rules to be complied with at the hearing;
 - (e) the disputed issues to be dealt with at the hearing (where necessary);
 - (f) the witnesses to be called at the hearing (where necessary); and
 - (g) the exhibits which may be relied upon at the hearing (where necessary).
- (3) Upon provision of the notice of hearing under Rule 1420(2), parties shall inform the Appeals Committee within 14 business days of the following:
- (a) whether there is any objection to the matters stated in the notice; and
 - (b) whether the party wishes to attend the hearing, and if so, the particulars of the persons who would be attending the hearing.
- (4) Where a party does not respond to a relevant direction issued under Rule 1420(1), the party is deemed to have no objection to the relevant direction, and the Appeals Committee may proceed as it deems fit.
- (5) Where a party does not indicate that the party is intending to attend the hearing, the party is deemed to have no intention of attending the hearing and the hearing can proceed in the absence of that party.
- (6) Where objections are raised in relation to any pre-hearing issues, the chairman shall determine the issue and inform parties accordingly. The chairman's determination of a pre-hearing issue shall be final.

The hearing

- 1421** (1) The chairman of the Appeals Committee shall determine the manner by which a hearing is to be conducted, having due regard to the notice of hearing issued under Rule 1420(2). A hearing before the Appeals Committee may be heard as a rehearing and evidence not previously considered by the Disciplinary Committee may be adduced.
- (2) No member of the Appeals Committee shall participate in a hearing if he has a conflict of interest.

- (3) Where the Appeals Committee is of the opinion that the charge is defective, the Appeals Committee may invite the Exchange to amend the charge, or directly amend the charge.
- (4) An appellant may withdraw an appeal at any time before the decision of the Appeals Committee by providing a notice of discontinuance to the Appeals Committee. Where a Relevant Person withdraws an appeal under this sub-rule and the Appeals Committee is of the opinion that the conduct of the Relevant Person was unreasonable, the Appeals Committee may order that the Relevant Person pay reasonable costs incurred by the Exchange.
- (5) The Exchange and the Relevant Person may be represented by legal counsel at the hearings.
- (6) The secretariat of the Appeals Committee must be informed in writing of the name of the legal counsel at least 14 business days before the hearing of the appeal.

The written grounds of the Appeals Committee and sanctions

- 1422** (1) Upon conclusion of the hearing, the Appeals Committee shall within a specified period of no more than 6 weeks, determine if the proceeded charges have been made out or if the decision of the Exchange is to be upheld and provide a written grounds of decision. In coming to a decision, the Appeals Committee may:
- (a) dismiss the appeal;
 - (b) uphold, reverse or vary the decision of the Disciplinary Committee or the Exchange;
 - (c) uphold, reverse or vary the specific findings of the Disciplinary Committee;
 - (d) direct that the Exchange take a specific course of action;
 - (e) vary the sanctions imposed by the Disciplinary Committee; or
 - (f) issue any other order which it deems appropriate.
- (2) Where the Appeals Committee makes a finding that the charge is made out, the Appeals Committee shall also include in the written grounds, the sanctions to be imposed against the Relevant Person. In imposing sanctions, the Appeals Committee shall have all the powers of the Disciplinary Committee under Rule 1417.

Post-hearing

- 1423** (1) The Appeals Committee's written grounds of decision shall be published by the Exchange, unless the sanction imposed involves the issuance of a private warning.

Where a private warning is issued by the Appeals Committee, the Appeals Committee shall determine whether the written grounds of decision is to be published, and if so, whether the written grounds of decision is to be published in part or in whole.

- (2) Where the Exchange has reason to believe that the requirements imposed or orders issued under Rule 1422(2) have not been complied with, the Exchange may report the non-compliance to the Appeals Committee, and the Appeals Committee may provide a supplemental grounds of decision to impose further sanctions.
- (3) Where a fine or order for costs of the proceedings has been imposed against a Relevant Person and the Relevant Person does not make payment within the specified period, the outstanding sum shall be a debt payable to Exchange. The Exchange may commence legal action to recover that debt, subject to any subsequent payments made by the Relevant Person. The Exchange shall be entitled to claim reasonable interest, a month after the payment is due, based on the sum outstanding.
- (4) A Relevant Person may apply to the Appeals Committee for an extension of the relevant timelines to comply with sanctions imposed by the Appeals Committee.
- (5) A decision of the Appeals Committee shall be final.

PART VI MISCELLANEOUS MATTERS

Confidentiality

1424 Subject to this rule and the continuing disclosure obligations in Chapter 7, the parties to Disciplinary Committee proceedings or Appeals Committee proceedings, their representatives and their advisors shall at all times treat all matters and documents relating to the proceedings as confidential except:

- (1) where all parties to the proceedings have given written consent;
- (2) where a party is directed by a competent authority such as the Authority or the police;
- (3) where a party is directed by a court of competent jurisdiction in Singapore;
- (4) where a party is permitted or directed by the Disciplinary Committee or Appeals Committee;
- (5) where the information is in the public domain; or
- (6) where such disclosure is in connection with the publication by the Exchange of the decision of the Disciplinary Committee or the Appeals Committee.

Irregularities

- 1425 (1) No irregularities shall vitiate a decision of the Disciplinary Committee or Appeals Committee unless the irregularity has occasioned a failure of justice.
- (2) Where an irregularity has occasioned a failure of justice in respect of a disciplinary proceeding, the Disciplinary Committee or Appeals Committee may either determine the charge accordingly, or direct that the Exchange re-initiate disciplinary proceeding.
- (3) Where an irregularity has occasioned a failure of justice in respect of a decision of the Exchange, the Appeals Committee may either determine the appeal accordingly, or direct that the Exchange determine the issue afresh.

Exclusion of liability

- 1426 The Disciplinary Committee and Appeals Committee shall not be liable for performing their functions under this Chapter. This limitation of liability extends to any actions whether in contract or tort or otherwise, and even in the purported performance of a function in good faith.

Composition sums, fines and costs and Compliance Fund

- 1427 All composition sums, fines and costs payable to the Exchange shall be used for investor education and related expenses.
- 1428 The costs of the Listings Advisory Committee, Disciplinary Committee, Appeals Committee and their supporting secretariat shall be funded by a SGX Compliance Fund comprising contributions from the Exchange. The monies in the Compliance Fund shall be kept separate from all other property of the Exchange.