

Securities and Futures (Organised Markets) Regulations 2018

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No. S 608

SECURITIES AND FUTURES ACT (CHAPTER 289)

SECURITIES AND FUTURES (ORGANISED MARKETS) REGULATIONS 2018

In exercise of the powers conferred by sections 44, 338 and 341 of the Securities and Futures Act, the Monetary Authority of Singapore makes the following Regulations:

PART 1

PRELIMINARY

Citation and commencement

1.—(1) These Regulations are the Securities and Futures (Organised Markets) Regulations 2018 and, except for regulation 12, come into operation on 8 October 2018.

(2) Regulation 12 comes into operation on 1 October 2018.

Definitions

2. In these Regulations —

“over-the-counter derivatives contract” means a derivatives contract other than an exchange-traded derivatives contract;

“Singapore exchange-traded derivatives contracts market operator” means a recognised market operator that —

- (a) is a Singapore corporation within the meaning given by section 6 of the Act; and
- (b) operates an organised market at which offers or invitations to exchange, sell or purchase exchange-traded derivatives contracts are made.

Forms

3. Any reference in these Regulations to a numbered form is a reference to the current version of the form bearing the corresponding number displayed on the Authority’s website at <http://www.mas.gov.sg>.

Fees

4. The fees specified in the Schedule are payable to the Authority for the purposes specified in that Schedule.

Keeping of books and other information

5. Every approved exchange and every recognised market operator must ensure that all relevant books and information that are required by the Authority for the purposes of the Act are kept —

- (a) in the case of any relevant book, until at least 5 years after the last date of the expiry or termination of a contract, an agreement or a transaction to which the book relates; or
- (b) in the case of any information, until at least 5 years after the date of the expiry or termination of the contract, agreement or transaction to which the information relates.

PART 2

APPROVAL AND RECOGNITION

Minimum requirements for approval or recognition

6.—(1) For the purposes of section 9(7) of the Act, the Authority must not approve an applicant as an approved exchange unless the applicant is able to maintain a base capital of \$10 million.

(2) [*Deleted by S 332/2019 wef 26/04/2019*]

(3) In this regulation, “base capital” means the amount calculated from the formula $A + B + C - D - E$, where —

- (a) A is the paid-up ordinary share capital of the corporation as set out in the latest balance-sheet of the corporation;
- (b) B is the paid-up irredeemable and non-cumulative preference share capital of the corporation as set out in the latest balance-sheet of the corporation;
- (c) C is the amount of any unappropriated profit or loss in the latest audited accounts of the corporation;
- (d) D is the amount of any interim loss in the latest profit and loss statement of the corporation; and
- (e) E is the amount of any dividend that has been declared since the latest audited accounts of the corporation.

Criteria for deciding whether applicant should be approved as approved exchange or recognised as recognised market operator

7.—(1) Pursuant to section 10(1)(a) of the Act, the Authority may, for the purposes of deciding whether a Singapore corporation mentioned in section 8(1) or 12(1) of the Act should be approved as an approved exchange, take into account the following criteria:

- (a) the likelihood that a disruption in the operations of an organised market to be operated by the corporation —
 - (i) could trigger, cause or transmit further systemic disruptions to the capital markets or financial system of Singapore; or
 - (ii) could affect public confidence in the capital markets, financial institutions or financial system of Singapore;
- (b) the ability of the corporation to meet the obligations of an approved exchange under sections 15(1) and 17(1) of the Act.

(2) Pursuant to section 10(1)(a) of the Act, the Authority may, for the purposes of deciding whether a Singapore corporation mentioned in section 8(1) or 12(1) of the Act