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SECURITIES AND FUTURES ACT
(CHAPTER 289)

SECURITIES AND FUTURES (MARKETS) REGULATIONS 2005

ARRANGEMENT OF REGULATIONS

PART I

PRELIMINARY

Regulation

1. Citation and commencement
2. Definitions
3. Forms
4. Fees
5. Keeping of books and other information

PART II

APPROVAL, RECOGNITION AND EXEMPTION

6. Application for approval, recognition or exemption
7. Criteria for deciding whether an applicant should be an approved exchange or recognised market operator
8. Application for change in status

PART III

REGULATION OF APPROVED EXCHANGES

Division 1 — Obligations and matters relating to approved exchanges

9. Obligation to notify Authority of certain matters
10. Obligation to submit periodic reports
11. Exceptions to obligation to maintain confidentiality
12. Business continuity plan
13. Provision of information to investors
14. Transmission and storage of user information
15. Determination of position limits
16. Requirements to register trading personnel

Regulation

17. Amounts to be paid out of fidelity funds

Division 2 — Rules of approved exchanges

18. Content of rules of approved exchanges
19. Amendment of business rules and listing rules

Division 3 — Matters requiring approval of Authority

20. Application and criteria for approval to acquire substantial shareholding
21. Application for approval of chairman, chief executive officer, director and key persons
22. Criteria for approval of chairman, chief executive officer, director and key persons

PART IV

REGULATION OF RECOGNISED MARKET OPERATORS

23. Obligation to notify Authority of certain matters
24. Obligation to submit periodic reports
25. Business continuity plan
26. Provision of information to investors
27. Transmission and storage of user information
28. Supervision of participants

PART V

MISCELLANEOUS

29. Criteria to determine failure to discharge duties or functions by officers
30. Offences

PART VI

REVOCATION

31. Revocation
The Schedules
-

In exercise of the powers conferred by sections 7 (2), 9, 10(1), 11(2) and (3), 14(1) and (3), 17(1), 19, 21(2), 23(1) and (2), 28(3) and (4), 38, 40, 44(2), 45, 186(10) and (11) and 341 of the Securities and

Futures Act, 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 2005 and shall come into operation on 1st July 2005.

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 an approved exchange or a recognised market operator;

“position”, in relation to a futures contract, means a futures contract which is 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 business rules or practices of a futures market, as the case may be; or
- (d) by substituting the futures contract for a cash commodity.

Forms

3.—(1) The forms to be used for the purposes of Part II of the Act and these Regulations are those set out at the Authority’s Internet website at <http://www.mas.gov.sg> (under “Legislation and Notices”, “Securities and Futures”), and any reference in these Regulations to a

numbered form shall be construed as a reference to the current version of the form bearing the corresponding number which is displayed at that website.

(2) Any document required to be lodged with the Authority under any provision of Part II of the Act or these Regulations shall be lodged in the relevant form and in the manner specified in the website referred to in paragraph (1), or in such other manner as the Authority may specify from time to time.

(3) All forms used for the purposes of Part II of the Act and these Regulations shall be completed in the English language and in accordance with such directions as may be specified in the form or by the Authority.

(4) The Authority may refuse to accept any form if —

(a) it is not completed in accordance with this regulation; or

(b) it is not accompanied by the relevant fee referred to in regulation 4.

(5) Where strict compliance with any form is not possible, the Authority may allow for the necessary modifications to be made to that form, or for the requirements of that form to be complied with in such other manner as the Authority thinks fit.

Fees

4.—(1) The fees specified in the First Schedule shall be payable to the Authority for the purposes specified therein and, subject to section 10(2) of the Act, shall not be refundable.

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

Keeping of books and other information

5. Every approved exchange, recognised market operator or exempt market operator shall ensure that all relevant books and other

information as may be required by the Authority for the purposes of the Act are kept for a minimum of 5 years.

[S 61/2007]

PART II

APPROVAL, RECOGNITION AND EXEMPTION

Application for approval, recognition or exemption

6.—(1) For the purposes of section 7(2) of the Act, an application for approval as an approved exchange or recognition as a recognised market operator under section 7(1) of the Act shall be made in Form 1 and shall be lodged with the Authority together with —

- (a) Forms 2 and 3; and
- (b) any relevant annex and information specified in those Forms.

(2) For the purposes of section 14(1) of the Act, an application for exemption under that section shall be made in Form 4.

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

7.—(1) For the purposes of section 9 of the Act and without prejudice to section 8(7) of the Act, the Authority may approve a corporation as an approved exchange under section 8(1) of the Act if —

- (a) the Authority is satisfied that a disruption in the operations of a market to be operated by the corporation could trigger, cause or transmit further systemic disruptions to the capital markets or financial system of Singapore;
- (b) the Authority is satisfied that a disruption in the operations of a market to be operated by the corporation could affect public confidence in the capital markets, financial institutions or financial system of Singapore; or
- (c) in any other case, the Authority is satisfied that the corporation, having applied to be an approved exchange under section 7(1)(a) of the Act, is able to comply with the