

**Futures Trading Act
(CHAPTER 116)**

Table of Contents

Long Title

Part I PRELIMINARY

1 Short title

2 Interpretation

**2A Meaning of foreign exchange trading and leveraged foreign
exchange trading**

**Part II FUTURES EXCHANGE AND CLEARING HOUSE AND
ACCEPTANCE OF FORM OF CONTRACTS**

3 Establishment of futures markets, etc., in Singapore

4 Power of Authority to approve Futures Exchange

5 Power to approve futures contracts

6 Amendments of business rules

7 Revocation of approval

8 Establishment of clearing house

9 Power of Authority to approve clearing house

**10 Futures Exchange or clearing house, etc., liable for failing to
enforce its business rules, etc., only if bad faith shown**

Part III LICENCES

11 Futures broker's licence

12 Licences

13 Application for licence or renewal

14 Authority to refuse to grant or renew licences in certain circumstances

15 Power of Authority to impose conditions or restrictions

16 Period of licence

17 Change of address

18 False statements

19 Register of licence holders

20 Revocation of licence

21 Powers of Authority in cases of misconduct, etc.

22 Effect of revocation or suspension of licence

23 Appeal against refusal to license, etc.

24 Minimum financial requirements

24A Failure to maintain minimum financial requirements

Part IV ACCOUNTS AND AUDIT

25 Accounts to be kept by futures brokers

26 Futures brokers to appoint auditors

27 Futures brokers to lodge annual accounts, etc.

28 Reports by auditor to Authority in certain cases

29 Power of Authority to appoint auditor

30 Power of auditors appointed by Authority

31 Offences to destroy, alter, etc., records

32 Restriction on auditor's and employee's right to communicate certain matters

33 Futures Exchange may impose additional obligations on members

34 Maintenance of books and records and furnishing accounts, etc., by futures trading adviser and futures pool operator

35 Additional powers of Authority in respect of auditors

36 Defamation

Part V CONDUCT OF FUTURES BUSINESS

37 Segregation of customer's funds by futures brokers

37A Front-running

37B Trading against customer

37C Cross-trading

37D Dealings by directors, officers or employees of licences

38 Nature of pool and segregation of funds by futures pool operator, etc.

39 Risk disclosure by futures broker, futures pool operator and futures trading adviser

39A Control over Futures Exchange in acquisition of shares in corporation

40 Penalties

Part VI POWERS OF AUTHORITY

41 Emergency powers

42 Fixing of position and trading limits in futures contracts

43 Production of records, etc., by Futures Exchange, clearing house, futures broker, etc.

44 Records of transactions on Futures Exchange or clearing house

45 Information to be provided by market participants

46 Review of Futures Exchanges' disciplinary action

47 Investigations by Authority

48 Inspections by Authority

49 Power to issue directions

Part VII FIDELITY FUNDS

49A Establishment of fidelity funds

49B Moneys constituting fidelity fund

49C Fund to be kept in separate bank account

49D Payments out of fidelity fund

49E Accounts of fund

49F Fidelity fund to consist of amount of \$5 million

49G Provisions if fund is reduced below \$5 million

49H Investment of fund

49I Application of fund

49J Claims against fund

49K Notice calling for claims against fund

49L Power of Futures Exchange to settle claims

49M Power of Futures Exchange to require production of evidence

49N Subrogation of Futures Exchange to rights, etc., of claimant upon payment from fund

49O Payment of claims only from fund

49P Provision where fund insufficient to meet claims or where claims exceed total amount payable

Part VIII OFFENCES

50 False trading

51 Bucketing

52 Dissemination of information about false trading

53 Manipulation of price of futures contract and cornering

54 Employment of fraudulent or deceptive devices, etc.

55 Fraudulently inducing trading in futures contracts

56 Penalties

57 Convicted persons liable to pay compensation