

AMENDMENTS TO THE CDP CLEARING RULES

RULE	ORIGINAL RULE	RULE AMENDMENT
1	APPLICATION AND DEFINITIONS	APPLICATION AND DEFINITIONS
1.2	DEFINITIONS	DEFINITIONS
1.2.1	<p>In these Clearing Rules, unless the context otherwise requires:—</p> <p>Where a provision of these Clearing Rules refers to or has effect for the purposes of a particular provision of the SFA or the Companies Act (Cap. 50) or any subsidiary legislation promulgated under it ("the Companies Act") — the word or expression has in that provision of these Clearing Rules the same meaning as it has in that provision of the SFA or the Companies Act; in any other case, the word or expression has the same meaning in these Clearing Rules as it has in the SFA or the Companies Act.</p> <p>"Customer Account" means a trading account carried on the books of a Clearing Member for a Customer except where such Customer is:—</p> <ol style="list-style-type: none"> (1) a director, officer, employee or representative of the Clearing Member; and (2) related corporation of the Clearing Member with respect to accepted instructions to deal for an account belonging to, and maintained wholly for the benefit of, that related corporation. <p>For the avoidance of doubt, a Clearing Member's own proprietary account is not a Customer Account.</p> <p>"Defaulting Clearing Member" has the meaning ascribed to it in Rule 8.2.1.</p>	<p>"Customer Account" means, <u>unless otherwise specified in these Clearing Rules</u>, a trading account carried on the books of a Clearing Member for a Customer except where such Customer is:—</p> <ol style="list-style-type: none"> (1) a director, officer, employee or representative of the Clearing Member; <u>and or</u> (2) <u>a</u> related corporation of the Clearing Member with respect to accepted instructions to deal for an account belonging to, and maintained wholly for the benefit of, that related corporation. <p>For the avoidance of doubt, a Clearing Member's own proprietary account is not a Customer Account.</p> <p>"Defaulting Clearing Member" has the meaning ascribed to it in Rule 8.2.1<u>8.2.18.1.2</u>.</p>

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	<p>"House Account" means a trading account carried on the books of a Clearing Member which is not a Customer Account.</p> <p>New definition.</p>	<p>"House Account" means, <u>unless otherwise specified in these Clearing Rules</u>, a trading account carried on the books of a Clearing Member which is not a Customer Account.</p> <p><u>"related corporation" has the meaning ascribed to it in the SFA.</u></p>
3	MEMBERSHIP	MEMBERSHIP
3.5	GENERAL OBLIGATIONS OF A CLEARING MEMBER	GENERAL OBLIGATIONS OF A CLEARING MEMBER
3.5.1	<p>Each Clearing Member undertakes and agrees to:—</p> <ol style="list-style-type: none"> (1) comply at all times with the applicable eligibility criteria set out in this Chapter 3; (2) clear and settle any Exchange Trade transacted by it through CDP in accordance with this Clearing Rules and the Clearing Directives (where applicable); (3) clear and settle any Exchange Trade transacted by a Trading Member qualified by it as a principal obligor and not merely as a guarantor through CDP in accordance with this Clearing Rules and the Clearing Directives (where applicable); (4) comply with this Clearing Rules and the Clearing Directives (where applicable); (5) grant CDP all rights and remedies as set forth in this Clearing Rules and the Clearing Directives (where applicable); (6) pay CDP all fees, charges, costs, compensation and other sums as provided in this Clearing Rules and the Clearing Directives (where applicable); 	No change.

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	<p>(7) make such contributions or payments to the Clearing Fund as may be required in this Clearing Rules;</p> <p>(8) generally take or refrain from taking such action as may be required in relation to the Clearing Fund;</p> <p>(9) exercise reasonable supervision over its employees and agents with a view to preventing any violation of SFA (where applicable), this Clearing Rules and Clearing Directives (where applicable). For this purpose, a Clearing Member shall be deemed to have complied with this Rule 3.5.1(9) if:—</p> <p>(a) it has established and maintained proper procedures and systems for its business, and in the case of a Bank Clearing Member, its business governed by this Clearing Rules, to prevent any such violations by its directors, officers, employees and agents;</p> <p>(b) it has in place sufficient resources and established and maintained adequate internal control and risk management systems for its business, and in the case of a Bank Clearing Member, its business governed by this Clearing Rules; and</p> <p>(c) the Clearing Member's employees or agents, have reasonably discharged their duties and obligations in enforcing the procedures and systems for its business, and in the case of a Bank Clearing Member, its business governed by this Clearing Rules;</p>	

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	<p>(10) comply with the clearing limits as CDP may prescribe from time to time;</p> <p>(11) maintain bank accounts in the currencies that may incur settlement and with banks acceptable to CDP; and</p> <p>(12) ensure that its Memorandum and Articles of Association or its constitution shall at all times conform to this Clearing Rules and the Clearing Directives (where applicable) so as to enable it to observe and perform fully the covenants, terms, stipulations, conditions and other provisions of this Clearing Rules and the Clearing Directives (where applicable).</p>	
3.5.2	<p>Provision of Information</p> <p>(1) A Clearing Member shall promptly submit to CDP and/or such party as directed by CDP such information, electronic records, returns or documents as and when such information, electronic records, returns or documents are required by CDP, provided that any information, electronic records, returns or documents shall be deemed not to have been duly submitted if it contains materially untrue statements or omits material statements or is otherwise misleading. Where any information, electronic records, returns or documents are deemed not to have been duly submitted, the Clearing Member shall promptly resubmit the same upon notice from CDP. For the avoidance of doubt, reference to "information, electronic records, returns or documents" in relation to a Bank Clearing Member, shall refer to such information, electronic records, returns or documents falling</p>	No change.

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	<p>within the Bank Clearing Member's business governed by this Clearing Rules.</p> <p>(2) CDP may impose such fine on the Clearing Member as prescribed from time to time in the Clearing Directives for late submission of any information, electronic records, returns or documents that are required by CDP pursuant to Rule 3.5.2(1).</p>	
3.5.3	<p>A Clearing Member must:—</p> <p>(1) maintain complete and accurate records, or in the case of a Bank Clearing Member, records in relation to the Bank Clearing Member's business governed by this Clearing Rules, in accordance with the SFA, SFR, this Clearing Rules and the Clearing Directives (where applicable);</p> <p>(2) not make, or cause to be made, a false or misleading entry, in hardcopy or electronic form, in any books, records, reports, slips, documents, statements relating to the business, affairs, transactions, conditions, assets or accounts ("the Documents") of a Clearing Member's business, or in the case of a Bank Clearing Member, its business governed by this Clearing Rules;</p> <p>(3) make all material entries in any of the Documents; and</p> <p>(4) not alter or destroy any of the Documents without a valid reason.</p>	No change.
3.5.4	<p>Business Continuity Requirements</p> <p>(1) a Clearing Member must assess its business and operational risks and maintain adequate business continuity arrangements.</p>	No change.

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	<p>(2) a Clearing Member must document its business continuity arrangements in a business continuity plan.</p> <p>(3) a Clearing Member's senior management shall be responsible for the Clearing Member's business continuity plan. Sufficient awareness of the risks, mitigating measures and state of readiness must be demonstrated by way of an attestation to the Clearing Member's Board of Directors.</p> <p>(4) a Clearing Member must review and test its business continuity plan regularly.</p> <p>(5) a Clearing Member must appoint emergency contact persons, and furnish the contact information of such persons to CDP. The Clearing Member's emergency contact persons must be contactable at all times, and must immediately notify CDP in the event of emergencies.</p>	
<p>3.5.5</p>	<p>New rule.</p>	<p><u>Records of Customer Monies and Assets in Relation to Contracts Cleared or Settled through CDP</u></p> <p><u>In relation to monies and assets received from its Customers, a Clearing Member must:</u></p> <p>(1) <u>maintain complete and accurate records, which enable it to identify at all times, specific amounts of such monies and assets deposited with it by each Customer in connection with such Customer's contracts which are, or are to be, cleared or settled through CDP; and</u></p> <p>(2) <u>provide the records referred to in Rule 3.5.5(1) to CDP by such time as CDP may require.</u></p>

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6	CLEARING AND SETTLEMENT	
6.6	CDP'S OBLIGATIONS UNDER THE NOVATED CONTRACTS	CDP'S OBLIGATIONS UNDER THE NOVATED CONTRACTS
6.6.1	<p>Without prejudice to Rule 8.2, to the extent that the aggregate of the funds or assets available to CDP are insufficient at any time to meet the aggregate of CDP's liabilities to Clearing Members under all Novated Contracts and/or buying or selling customers under any New Purchase Contracts or New Sale Contracts (as respectively defined under Rule 8.2.2) subsisting at any time, based on the amount of the funds or assets available to CDP for such purpose at the time (taking into account CDP's other liabilities then subsisting), as certified in writing by CDP, each Clearing Member or buying or selling customer to whom CDP is liable under the Novated Contracts or New Purchase Contracts or New Sale Contracts shall only be entitled to receive payment pro-rata to the amount due to it as compared with the aggregate amount due to all Clearing Members and buying and selling customers under the Novated Contracts or New Purchase Contracts or New Sale Contracts; CDP shall remain liable for such Novated Contracts or New Purchase Contracts or New Sale Contracts but payment of the balance of such amounts due shall only be made as and when and to the extent that such funds or assets are subsequently available.</p>	<p>Without prejudice to Rule 8.2, to the extent that the aggregate of the funds or assets available to CDP are insufficient at any time to meet the aggregate of CDP's liabilities to Clearing Members under all Novated Contracts and/or buying <u>customers</u> or selling customers under any New Purchase Contracts or New Sale Contracts (as respectively defined under Rule 8.2.2) subsisting at any time, based on the amount of the funds or assets available to CDP for such purpose at the time (taking into account CDP's other liabilities then subsisting), as certified in writing by CDP, each Clearing Member or buying <u>customer</u> or selling customer to whom CDP is liable under the Novated Contracts or New Purchase Contracts or New Sale Contracts shall only be entitled to receive payment pro-rata to the amount due to it as compared with the aggregate amount due to all Clearing Members and buying <u>customers</u> and selling customers under the Novated Contracts or New Purchase Contracts or New Sale Contracts; CDP shall remain liable for such Novated Contracts or New Purchase Contracts or New Sale Contracts but payment of the balance of such amounts due shall only be made as and when and to the extent that such funds or assets are subsequently available.</p>
6.6.2	<p>Without prejudice to Rule 8.2, in respect of CDP's obligations to deliver securities under the Novated Contracts or New Purchase Contracts, to the extent that CDP determines that it is not or may not be possible or reasonably practicable to deliver securities, CDP's obligation shall be to make money compensation to Clearing Members or the buying customers concerned by reference to the market value of such securities at the time such securities were due to be delivered</p>	<p>Without prejudice to Rule 8.2, in respect of CDP's obligations to deliver securities under the Novated Contracts or New Purchase Contracts, to the extent that CDP determines that it is not or may not be possible or reasonably practicable to deliver securities, CDP's obligation shall be to make money compensation to Clearing Members or the buying customers concerned by reference to the market value of such securities at the time such securities were due to be delivered</p>

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	or the value at such other time as CDP shall consider fair and appropriate in the circumstances.	or the value at such other time as CDP shall consider fair and appropriate in the circumstances.
6.6.3	New rule.	<p><u>Where a Final Settlement Balance is payable to CDP by the Clearing Member on a Settlement Day, for so long as such Final Settlement Balance has not been fully settled pursuant to Rule 6.4.1:</u></p> <p>(1) <u>CDP shall have no obligation to make delivery of any securities to that Clearing Member pursuant to Novated Contracts; and</u></p> <p>(2) <u>to the extent that any securities pursuant to Novated Contracts have been credited to the Clearing Member's Clearing Account or the Securities Account or sub-account of the Clearing Member or the customer of the Clearing Member on whose behalf the Clearing Member executed the relevant Exchange Trade, CDP shall have the right to recover such securities.</u></p>
6.7.4	Buying-In Procedures	Buying-In Procedures
6.7.4(1)	CDP shall schedule a time for commencement of buying-in and inform Clearing Members of the scheduled time via circular. On the day of buying-in, CDP shall, as far as practicable, by the scheduled time for commencement of buying-in, enter into the Trading System a list of securities to be bought-in, naming the security, the number to be bought, the short Clearing Member and the proposed price. CDP shall, at least 3 working days before changing the scheduled time for commencement of buying-in, inform Clearing Members of the details of such change via circular.	CDP shall schedule a time for commencement of buying-in and inform Clearing Members of the scheduled time via circular. On the day of buying-in, CDP shall, as far as practicable, by the scheduled time for commencement of buying-in, <u>notify Clearing Members of the securities for buying-in via the SGX website or through such other medium as CDP may consider appropriate.</u> enter into the Trading System a list of securities to be bought-in, naming the security, the number to be bought, the short Clearing Member and the proposed price. CDP shall, at least 3 working days before changing the scheduled time for commencement of buying-in, inform Clearing Members of the details of such change via circular.

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6.7.4(1A)	<p>If CDP is of the opinion that, due to an emergency on a particular day, buying-in is unlikely to commence at the scheduled time, CDP shall, via circular and the electronic trading platform provided by the Exchange, inform Clearing Members of the following matters:</p> <p>(a) that buying-in will not commence at the scheduled time; and</p> <p>(b) after assessing the impact of the emergency, the estimated time at which the delayed buying-in will commence.</p> <p>In any case where the commencement of buying-in is delayed, the delayed buying-in shall only commence at least 30 minutes after the original scheduled time.</p>	<p>If CDP is of the opinion that, due to an emergency on a particular day, buying-in is unlikely to commence at the scheduled time, CDP shall, via circulars <u>or such other medium as CDP may consider appropriate and the electronic trading platform provided by the Exchange</u>, inform Clearing Members of the following matters:</p> <p>(a) that buying-in will not commence at the scheduled time; and</p> <p>(b) <u>after assessing the impact of the emergency, when it can be determined</u>, the estimated time at which the delayed buying-in will commence.</p> <p>In any case where the commencement of buying-in is delayed, the delayed buying-in shall only commence at least <u>30 15</u> minutes after the original scheduled time.</p>
6.7.4(2)	Where the securities to be bought-in are in excess of a board lot, the selling Clearing Member may deliver a board lot or a multiple thereof in reduction of the securities to be bought-in.	No change.
6.7.4(3)	For physical securities to be bought-in, when the offer by the selling Clearing Member exceeds the buy-in quantity, it shall not stop CDP from buying-in.	For physical securities to be bought-in, when the offer by the selling Clearing Member exceeds the buy-in quantity, it shall not stop CDP from buying-in.
6.7.4(4)	CDP shall have the discretion not to buy-in any security in which case CDP shall remove such security from the list shown in the Trading System.	CDP shall have the discretion not to buy-in any security in which case CDP shall remove such security from the list shown in the Trading System.
6.7.4(5)	<p>The buying-in bid price, as determined by CDP, will be 2 minimum bids above the highest of the closing price of the previous day, the reference transacted price or the reference bid price.</p> <p>For the purpose of this Rule, the reference transacted price and the reference bid price will be any of the last transacted prices and bid prices in the 1 hour preceding the commencement of buying-in, as determined by CDP.</p>	<p>The buying-in bid price, as determined by CDP, will be 2 minimum bids above the highest of closing price of the previous day, the reference transacted price or the reference bid price. <u>the following:</u></p> <p>(a) <u>the closing price of the previous day;</u></p> <p>(b) <u>the reference transacted price,</u></p> <p>(c) <u>the reference bid price; and</u></p>

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		<p><u>(d) in respect of a contract made in the buy-in market on the previous Market Day for which delivery failed, the transacted price of that contract.</u></p> <p>For the purpose of this Rule, the reference transacted price and the reference bid price will be any of the last transacted prices and bid prices within the 1 hour preceding the commencement of buying-in, as determined by CDP.</p>
6.7.4(5A)	New rule.	<u>Where necessary, CDP shall have the discretion to make adjustments to any of the prices described in 6.7.4(5) to cater for corporate actions on the particular security.</u>
6.7.4(6)	Subject to paragraph (1A), buying-in shall commence at the time scheduled by CDP on the Settlement Day or the following and successive Market Days and sellers may offer for immediate delivery any securities shown in the list, the first offer at the price bid to be matched by the Trading System. Offers may be in whole or in part of any particular security to be bought-in, provided that where only part is being offered, such part shall be in board lots.	Subject to paragraph (1A), buying-in shall commence at the time scheduled by CDP on the Settlement Day or the following and successive Market Days and sellers may offer for immediate delivery any securities <u>required for buying-in shown in the list, the first offer at the price bid to be matched by the Trading System.</u> Offers may be in whole or in part of any particular security to be bought-in, provided that where only part is being offered, such part shall be in board lots.
6.7.4(7)	If the securities are not obtained, CDP shall have absolute discretion to raise the price bid by 2 minimum bids, as determined by SGX-ST, from time to time throughout the Settlement Day until the securities are bought or delivered to CDP.	<p>If the securities are not obtained <u>after the commencement of buying-in</u>, CDP shall have absolute discretion to raise the <u>buying-in</u> price bid by 2 minimum bids, as determined by SGX-ST, <u>from the following, in order to facilitate the successful buying-in of the securities:</u></p> <p><u>(a) the prevailing buying-in bid price;</u></p> <p><u>(b) the transacted price in the ready market; or</u></p> <p><u>(c) the bid price in the ready market,</u></p> <p><u>at such time as determined by CDP,</u> from time to time throughout the <u>buying-in session Settlement Day</u> until the securities are bought or delivered to CDP.</p>

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6.7.4(8)	If the securities cannot be obtained during the Settlement Day, the buying-in shall continue on the following and successive Market Days at 2 minimum bids, as determined by SGX-ST, higher than the buying-in bid price at the close of the Settlement Day or the previous Market Day, and thereafter CDP shall have absolute discretion to raise the buying-in bid price by 2 minimum bids, as determined by SGX-ST, from time to time throughout the Market Day until the securities are bought or delivered to the CDP.	If the securities cannot be obtained during the Settlement Day and <u>unless the securities are withdrawn from buying-in</u> , the buying-in shall continue on the following <u>Market Day with the buying-in bid price at the commencement of buying-in determined in accordance with 6.7.4(5) and 6.7.4(5A), and CDP shall have absolute discretion to raise the buying-in bid price after the commencement of buying-in in accordance with 6.7.4(7).</u> successive Market Days at 2 minimum bids, as determined by SGX-ST, higher than the buying-in bid price at the close of the Settlement Day or the previous Market Day, and thereafter, as determined by SGX-ST, from time to time throughout the Market Day until the securities are bought or delivered to the CDP.
6.7.4(8A)	If the securities cannot be obtained by the close of the second Market Day, CDP may require the short Clearing Member to procure the securities within the time stipulated by CDP.	If the securities cannot be obtained by the close of the second Market Day <u>following the Settlement Day</u> , CDP may require the short Clearing Member to procure the securities within the time stipulated by CDP.
6.7.4(9)	CDP shall have power to suspend the increase in bids if it is considered advisable.	CDP shall have power to suspend the increase in bids if it is considered advisable.
6.7.4(10)	For physical securities, the selling Clearing Member, unless it is the purchaser in the original trade, shall deliver the securities to CDP before 1.00 p.m. for buying-ins effected in the morning trading session and by 4.00 p.m. for buying-ins effected in the afternoon trading session on the same Market Day. CDP shall pay the selling Clearing Member by 11.00 a.m. on the following Market Day.	For physical securities, the selling Clearing Member, unless it is the purchaser in the original trade, shall deliver the securities to CDP before 1.00 p.m. for buying-ins effected in the morning trading session and by 4.00 p.m. for buying-ins effected in the afternoon trading session on the same Market Day. CDP shall pay the selling Clearing Member by 11.00 a.m. on the following Market Day.
6.7.4(11)	For book-entry securities, CDP shall debit the securities from the selling investor's Securities Account or sub-account or the selling Clearing Member's Stock Account, as the case may be, during the settlement run on the same Market Day the buying-in	For book-entry securities, CDP shall debit the securities from the selling investor's Securities Account or sub-account or the selling Clearing Member's Stock Account, as the case may be, during the settlement run on the same Market Day the buying-in

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	<p>was effected. CDP shall pay the seller's Clearing Member on the following Market Day. This payment shall be set-off against the amounts that such Clearing Member is obliged to pay CDP on the following Market Day, in accordance with Rule 6.3.1.</p>	<p>was effected. CDP shall pay the seller's Clearing Member on the following Market Day, <u>or as CDP may otherwise notify</u>. This payment shall be set-off against the amounts that such Clearing Member is obliged to pay CDP on the following Market Day, <u>or as CDP may otherwise notify</u>, in accordance with Rule 6.3.1.</p>
<p>6.7.5</p>	<p>Buying-In Requests by Clearing Members</p> <p>When a customer or a Trading Member qualified by a Clearing Member, does not make available such securities in its Securities Account or sub-account by such time as specified under Rule 6.5.2A or fails to deliver securities to the Clearing Member by the Settlement Day in accordance with Rule 6.5.2, that Clearing Member may instruct CDP to buy-in against the customer or Trading Member qualified by it.</p> <p>Buying-in by CDP shall be executed in accordance with the procedures set out in Rule 6.7.</p>	<p>Buying-In Requests by Clearing Members</p> <p>When a customer or a Trading Member qualified by a Clearing Member, does not make available such securities in its Securities Account or sub-account by such time as specified under Rule 6.5.2A or fails to deliver securities to the Clearing Member by the Settlement Day in accordance with Rule 6.5.2, that Clearing Member may instruct CDP to buy-in against the customer or Trading Member qualified by it.</p> <p>Buying-in by CDP shall be executed in accordance with the procedures set out in Rule 6.7.</p>
<p>6.7.6</p>	<p>Suspension of Buying-In</p> <p>(1) The buying-in procedures shall not apply whenever SGX-ST suspends trading of a security.</p> <p>(2) Notwithstanding Rule 6.7.6(1), CDP may suspend either indefinitely or for such time as it thinks fit the buying-in of any securities when circumstances appear to make such suspension desirable. CDP may from time to time, either during the continuance or after the termination of any such suspension, remove, renew or re-impose such suspension.</p>	<p>Suspension of Buying-In</p> <p>(1) The buying-in procedures <u>Buying-in</u> shall not apply whenever SGX-ST suspends trading of a security. <u>CDP may then require the short Clearing Member to procure the securities within the time stipulated by CDP.</u></p> <p><u>(1A) Buying-in shall not apply whenever trading of a security is halted. CDP may:</u></p> <p><u>(a) commence buying-in when trading in that security resumes. The buying-in bid price of that security will be determined as described in 6.7.4(5), 6.7.4(5A) and 6.7.4(7); or</u></p>

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		<p>(b) require the short Clearing Member to procure the securities within the time stipulated by CDP.</p> <p>(2) Notwithstanding Rule 6.7.6(1), CDP may suspend either indefinitely or for such time as it thinks fit the buying-in of any securities when circumstances appear to make such suspension desirable. CDP may from time to time, either during the continuance or after the termination of any such suspension, remove, renew or re-impose such suspension.</p>
6B	COLLATERAL	COLLATERAL
6B.7	Investment and Use of Collateral	Investment and Use of Collateral
6B.7.1	<p>CDP may invest, manage and use Collateral in such manner as it shall deem fit provided that:</p> <p>(1) Collateral solely in respect of Customer Accounts shall be invested in accordance with these Clearing Rules, the Security Deed and the SFA; and</p> <p>(2) CDP shall not use any Collateral received and notified to it as Collateral solely in respect of Customer Accounts, to settle any obligations that are incurred in relation to any House Account, except in accordance with these Clearing Rules, the Security Deed and the SFA.</p>	No change.
6B.7.1A		<p>Each Clearing Member shall secure contractual waivers in favour of the Clearing Member from its customers waiving their respective rights to all interest and investment earnings from the Collateral held with or otherwise provided to CDP solely in respect of Customer Accounts, in the form and manner as may be prescribed by the CDP, as may be</p>

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		necessary to give effect to CDP's rights in relation to interest and fees under Rule 6B.8.
6B.7.2	All Collateral deposited or provided by each Clearing Member to CDP shall be subject to these Clearing Rules, the Security Deed and the SFA (each as amended or supplemented from time to time). Each Clearing Member shall ensure that all Collateral deposited or provided to CDP are deposited or provided only on the foregoing basis and shall also ensure that, prior to depositing or providing any Collateral to CDP for the account or for the contracts of any person, such person has been notified of and has accepted the foregoing.	No change.
8	DEFAULT RULES	DEFAULT RULES
8.1	EVENTS OF DEFAULT	EVENTS OF DEFAULT
8.1.1	<p>In the event that:—</p> <p>(1) a Clearing Member fails duly to perform or is, in the opinion of CDP, in breach of any provision of these Clearing Rules or Clearing Directives or of any agreement, understanding or arrangement which the Clearing Member has from time to time with CDP;</p> <p>(2) a Clearing Member, not being an Exempt Person, ceases to hold a valid Capital Markets Services Licence under the SFA or ceases to be authorised to conduct banking business in Singapore pursuant to section 4 of the Banking Act (Chapter 19);</p> <p>(3) without prejudice to the generality of Rule 8.1.1(1), a Clearing Member defaults in payment of any sum payable to CDP or payable under these Clearing Rules or Clearing Directives towards the Clearing Fund;</p>	<p>In the event that:-</p> <p>(1) No change.</p> <p>(2) No change.</p> <p>(3) without prejudice to the generality of Rule 8.1.1(1), a Clearing Member defaults in payment of any sum payable to CDP or payable under these Clearing Rules or Clearing Directives towards the Clearing Fund;</p>

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	<p>(4) a Clearing Member fails to pay when due any sum due and payable, including margins required by CDP, or is otherwise in material default under the terms of any loan or other agreement relating to the Clearing Member's indebtedness, or threatens or proposes to suspend, stop, defer or reschedule payment or to default under the terms of such loan or agreement;</p> <p>(5) a Clearing Member is insolvent, or unable to pay its debts when they fall due, or a judicial management or winding up petition is presented, or a notice of a proposal for a resolution for its winding-up is given, or an arrangement or assignment or composition is proposed or made for the benefit of creditors or any of them, or if CDP considers in its absolute discretion that the occurrence of any such events or their equivalent is imminent or likely in any jurisdiction;</p> <p>(6) in respect of a Clearing Member, a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator or similar officer is appointed or a scheme of arrangement requiring creditors' consent and involving the compromise or rescheduling of debts is proposed or made, or if CDP considers in its absolute discretion that the occurrence of any such events or their equivalent is imminent or likely in any jurisdiction;</p> <p>(7) any distress, execution or other process is levied or enforced or served upon or against any property or assets of a Clearing Member;</p> <p>(8) without prejudice to the generality of Rule 8.1.1(1), any failure by the Clearing Member to comply with or</p>	<p>(4) a Clearing Member fails to pay when due any sum due and payable, including margins required by CDP, or is otherwise in material default under the terms of any loan or other agreement relating to the Clearing Member's indebtedness, or threatens or proposes to suspend, stop, defer or reschedule payment or to default under the terms of such loan or agreement;</p> <p>(5) a Clearing Member is insolvent, or <u>is deemed insolvent pursuant to Rule 8.1A.</u> unable to pay its debts when they fall due, or a judicial management or winding up petition is presented, or a notice of a proposal for a resolution for its winding-up is given, or an arrangement or assignment or composition is proposed or made for the benefit of creditors or any of them, or if CDP considers in its absolute discretion that the occurrence of any such events or their equivalent is imminent or likely in any jurisdiction;</p> <p>(6) in respect of a Clearing Member, a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator or similar officer is appointed or a scheme of arrangement requiring creditors' consent and involving the compromise or rescheduling of debts is proposed or made, or if CDP considers in its absolute discretion that the occurrence of any such events or their equivalent is imminent or likely in any jurisdiction;</p> <p>(7) any distress, execution or other process is levied or enforced or served upon or against any property or assets of a Clearing Member;</p> <p>(8) without prejudice to the generality of Rule 8.1.1(1), any failure by the Clearing Member to comply with or</p>

RULE	ORIGINAL RULE	RULE AMENDMENT
	<p>settle any of its financial obligations under the Clearing Rules, the Clearing Directives, SGX-ST Rules, SGX-ST Directives or the rules and regulations of any exchange or clearing house in which it is a participant or member; or</p> <p>(9) in view of the Clearing Member's financial or operating conditions, CDP, in its absolute discretion, considers it necessary or desirable to protect its own interests and/or the interests of other Clearing Members;</p> <p>New rule.</p> <p>CDP shall be entitled, at its absolute discretion, then or at any time thereafter, whether or not such event is, in the opinion of CDP, continuing, to declare that an Event of Default has occurred and to give notice thereof to all Clearing Members.</p>	<p>settle any of its financial obligations under the Clearing Rules, the Clearing Directives, SGX-ST Rules, SGX-ST Directives or the rules and regulations of any exchange or clearing house in which it is a participant or member; or</p> <p>(94) in view of the Clearing Member's financial or operating conditions, CDP, in its absolute discretion, considers it necessary or desirable to protect its own interests, and/or the interests of other Clearing Members <u>and/or the interests of the customers of the Clearing Member; or</u></p> <p><u>(5) conversion, theft, breach of trust, embezzlement, or any other similar cause, caused or suffered by or in connection with a Clearing Member,</u></p> <p>No change.</p>
8.1.2	<p>Immediately upon CDP declaring that an Event of Default has occurred in respect of any Clearing Member, such Clearing Member (the "Defaulting Clearing Member") shall be deemed:—</p> <p>(1) to be in breach of its obligations to CDP under its Novated Contracts; and</p> <p>(2) to be unable to meet its obligations to CDP</p> <p>and to the extent permitted by law, Rules 8.2 to 8.7 herein shall apply.</p>	<p>Immediately upon CDP declaring that an Event of Default has occurred in respect of any Clearing Member, such Clearing Member (the "Defaulting Clearing Member") shall be deemed:—</p> <p>(1) to be in breach of its obligations to CDP under its Novated Contracts; and</p> <p>(2) to be unable to meet its obligations to CDP</p> <p>and to the extent permitted by law, Rules 8.2 to 8.79 herein shall apply.</p>
<u>8.1A</u>	New rule.	<u>INSOLVENCY AND DEEMED INSOLVENCY</u>
<u>8.1A.1</u>	New rule.	<u>For the purpose of these Clearing Rules, a Clearing Member becomes insolvent or</u>

RULE	ORIGINAL RULE	RULE AMENDMENT
		<p><u>shall be deemed to be insolvent on the occurrence of any of the following events:-</u></p> <p>(1) <u>it fails to fulfil or meet margins or settlement requirements for all or any of its Novated Contracts;</u></p> <p>(2) <u>it defaults upon any levy owing to CDP arising out of Rule 7.2.1 or Rule 7.10.3;</u></p> <p>(3) <u>it is or is at risk of being in material default under the term of any loan or other agreement relating to its indebtedness;</u></p> <p>(4) <u>it fails, is unable, admits its inability, or is deemed for the purposes of any law to be unable, to pay its debts as they fall due;</u></p> <p>(5) <u>a composition, assignment or arrangement is proposed or made for the benefit of its creditor;</u></p> <p>(6) <u>the value of its assets is less than its liabilities, taking into account contingent and prospective liabilities;</u></p> <p>(7) <u>by reason of its financial integrity having been or anticipated to be compromised, it proposes, or commences negotiations with one or more of its creditors, to suspend, stop, defer or reschedule payments on any of its indebtedness, or announces an intention to do so;</u></p> <p>(8) <u>it or any of its directors or other officers seeks or gives notice of its or his intention to seek, or if it or any of its assets becomes subject to, the appointment of an administrator, provisional liquidator, receiver, administrative receiver, judicial manager, judicial custodian, compulsory manager, trustee, trustee in bankruptcy, conservator,</u></p>

RULE	ORIGINAL RULE	RULE AMENDMENT
		<p><u>custodian or other similar officer, whether out of court or otherwise:</u></p> <p><u>(9) a moratorium is declared in respect of any of its indebtedness:</u></p> <p><u>(10) the enforcement of any security over any of its assets, or any distress, execution, attachment, sequestration or other legal process levied, enforced or served upon any of its assets:</u></p> <p><u>(11) any corporate action, legal proceedings or other procedure or step is taken, including without limitation the presentation of a petition, the making of an application, the filing of documents with a court, the convening of a meeting of the Clearing Member, its directors or its members, the giving of a notice of a proposal or the passing of a resolution, in relation to or with a view to:</u></p> <p><u>(a) the winding up, liquidation, dissolution, or seeking of a judgment of insolvency or other relief under any insolvency law or other similar law affecting creditors' rights in respect of the Clearing Member, whether voluntary or involuntary; or</u></p> <p><u>(b) the administration, whether out of court, with a registrar or otherwise, judicial management or reorganisation, whether by way of voluntary arrangement, scheme of arrangement or otherwise, of the Clearing Member, whether voluntary or involuntary;</u></p> <p><u>(12) it causes or is subject to any event which, under the applicable laws of</u></p>

RULE	ORIGINAL RULE	RULE AMENDMENT
		<p><u>any jurisdiction, has an effect analogous to any of the events specified above;</u></p> <p><u>(13) it takes any action or step in furtherance of, or indicating its consent to, approval of or acquiescence in, any of the foregoing acts; or</u></p> <p><u>(14) if CDP considers in its absolute discretion that the occurrence of any such events or their equivalent is imminent or likely in any jurisdiction.</u></p>
8.2	EFFECT OF DEFAULT ON NOVATED CONTRACTS OTHER THAN MARGINABLE FUTURES CONTRACTS	EFFECT OF DEFAULT ON NOVATED CONTRACTS OTHER THAN MARGINABLE FUTURES CONTRACTS
8.2.1	Except for Rule 8.6A, Rules 8.2 to 8.7 shall apply to Novated Contracts other than Marginable Futures Contracts.	Except for Rule 8.6A, Rules 8.2 to 8. 7 <u>9</u> shall apply to Novated Contracts other than Marginable Futures Contracts.
8.2.2	<p>Immediately upon such breach under Rule 8.1.2:—</p> <p>(1) each Novated Contract for the purchase of securities between CDP and the Defaulting Clearing Member shall be terminated. In respect of each such Novated Contract, a new contract (the "New Purchase Contract") shall be deemed to have been made between CDP and the relevant buying customer of the Defaulting Clearing Member, pursuant to which the buying customer shall have the obligation to pay the relevant purchase consideration to CDP and, subject to Rule 6.6.1 shall have the right to receive the relevant securities from CDP; and</p>	<p>Immediately upon such breach under Rule 8.1.2:—</p> <p>(1) each Novated Contract for the purchase of securities between CDP and the Defaulting Clearing Member <u>in relation to a Customer Account</u> shall be terminated. In respect of each such Novated Contract, a new contract (the "New Purchase Contract") shall be deemed to have been made between CDP and the relevant buying customer of the Defaulting Clearing Member, pursuant to which the buying customer shall have the obligation to pay the relevant purchase consideration to CDP and, subject to Rule 6.6-4 <u>and Rule 8</u> shall have the right to receive the relevant securities from CDP; and</p>

RULE	ORIGINAL RULE	RULE AMENDMENT
	<p>(2) each Novated Contract for the sale of securities between CDP and the Defaulting Clearing Member shall be terminated. In respect of each such Novated Contract, a new contract (the "New Sale Contract") shall be deemed to have been made between CDP and the relevant selling customer of the Defaulting Clearing Member, pursuant to which the selling customer shall have the obligation to deliver the relevant securities to CDP and, subject to Rule 6.6.1 shall have the right to receive the relevant sale consideration from CDP.</p> <p>New rule.</p>	<p>(2) each Novated Contract for the sale of securities between CDP and the Defaulting Clearing Member in relation to a Customer Account shall be terminated. In respect of each such Novated Contract, a new contract (the "New Sale Contract") shall be deemed to have been made between CDP and the relevant selling customer of the Defaulting Clearing Member, pursuant to which the selling customer shall have the obligation to deliver the relevant securities to CDP and, subject to Rule 6.6-4 and Rule 8 shall have the right to receive the relevant sale consideration from CDP-; and</p> <p>(3) in respect of Novated Contracts between CDP and the Defaulting Clearing Member in relation to a House Account:</p> <p>(a) CDP shall be entitled (but not obliged) to set-off any or all Novated Contracts for the sale of a security against any or all Novated Contracts for the purchase of that security, regardless of the relevant Settlement Days for such Novated Contracts;</p> <p>(b) CDP shall be entitled (but not obliged) to force-sell any or all securities due from CDP to the Defaulting Clearing Member at such time and price as CDP may determine. CDP has no liability for any losses to the Defaulting Clearing Member arising from the force-sale of securities. The resulting proceeds of such force-sale shall be held by CDP as Collateral and applied in accordance with these Clearing Rules and the Security Deed; and</p>

RULE	ORIGINAL RULE	RULE AMENDMENT
	<p>Subject as otherwise provided in these Clearing Rules, the terms of each New Purchase Contract and New Sale Contract shall be on the same terms as its corresponding Novated Contract. For the avoidance of doubt, the termination of each Novated Contract shall be without prejudice to any of the rights or remedies of CDP thereunder and CDP's right to damages in respect of any breach (whether antecedent or otherwise) under each Novated Contract shall not be extinguished.</p>	<p><u>(c) any securities due from the Defaulting Clearing Member to CDP regardless of the relevant Settlement Days (if not set-off pursuant to Rule 8.2.2(3)(a)) shall be settled in accordance with these Clearing Rules on such day as CDP may determine.</u></p> <p>No change.</p>
8.2.2A	New rule.	<u>Upon such breach under Rule 8.1.2, CDP shall be entitled to cancel any free-of-payment instructions, including instructions for FOP Transaction Settlement, in relation to any Novated Contract or any New Purchase Contract.</u>
8.2.3	Rules 6.3 to 6.5 shall not apply to each New Purchase Contract or New Sale Contract.	No change.
8.2.3A	New rule.	<u>Settlement of transactions between the buying customer and CDP in respect of New Purchase Contracts; and the selling customer and CDP in respect of New Sale Contracts shall be in such currency as determined by CDP and, if applicable, at such exchange rate as determined by CDP. Without prejudice to the generality of the foregoing, CDP may refer to exchange rates published by data vendors in determining the relevant exchange rates.</u>
8.2.4	For the purposes of Rule 8, the Trading Member qualified by the Defaulting	<u>For the purposes of Rule 8.2:</u>

RULE	ORIGINAL RULE	RULE AMENDMENT
	<p>Clearing Member shall be regarded as a buying or selling customer (as the case may be) of the Defaulting Clearing Member.</p>	<p><u>(1) “Customer Account” means a trading account carried on the books of a Clearing Member for a Customer except where such Customer is:</u></p> <p><u>(a) a director, officer, employee or representative of the Clearing Member; or</u></p> <p><u>(b) a related corporation of the Clearing Member.</u></p> <p><u>For the avoidance of doubt, a Clearing Member's own proprietary account is not a Customer Account; and</u></p> <p><u>(2) “House Account” means a trading account carried on the books of a Clearing Member which is not a Customer Account (as such term is defined in Rule 8.2.4(1)).</u></p> <p>For the purposes of Rule 8, the Trading Member qualified by the Defaulting Clearing Member shall be regarded as a buying or selling customer (as the case may be) of the Defaulting Clearing Member.</p>
<p>8.3</p>	<p>PAYMENT BY BUYING CUSTOMER UNDER NEW PURCHASE CONTRACT</p>	<p>PAYMENT BY BUYING CUSTOMER UNDER NEW PURCHASE CONTRACT</p>
<p>8.3.1</p>	<p>In respect of a New Purchase Contract:—</p> <p>(1) if the buying customer has paid the purchase consideration to the Defaulting Clearing Member prior to 4.00 p.m. on the Settlement Day, and if such consideration has not been deposited into a trust account by the Defaulting Clearing Member, the buying customer shall pay a further sum towards payment of the purchase consideration to CDP by 5.00 p.m. on the Market Day following the Settlement Day. The buying customer's recourse for the repayment of the purchase</p>	<p>In respect of a New Purchase Contract:—</p> <p><u>(1) unless otherwise notified by CDP, the buying customer shall pay the full purchase consideration directly to CDP at such time as CDP may determine, regardless of whether the buying customer has made payment of such amount to the Defaulting Clearing Member;</u></p> <p><u>(2) subject to Rule 8.6C.2, title and right to the purchase consideration paid by the buying customer to CDP shall not at any time pass to the Defaulting Clearing Member; and</u></p>

RULE	ORIGINAL RULE	RULE AMENDMENT
	<p>consideration already paid to the Defaulting Clearing Member shall be against the Defaulting Clearing Member; or</p> <p>(2) if the buying customer has paid the purchase consideration to the Defaulting Clearing Member prior to 4.00 p.m. on the Settlement Day, and if such consideration has been deposited into a trust account by the Defaulting Clearing Member, the Defaulting Clearing Member or its agent shall pay such purchase consideration to CDP by 5.00 p.m. on the Market Day following the Settlement Day; and</p> <p>(3) if the buying customer has not paid the purchase consideration to the Defaulting Clearing Member prior to 4.00 p.m. on the Settlement Day, the buying customer shall pay the purchase consideration to CDP by 5.00 p.m. on the Market Day following the Settlement Day and title and right to such moneys shall not at any time pass to the Defaulting Clearing Member.</p>	<p><u>(3) CDP shall have no obligation to the buying customer in respect of any payment by the buying customer to the Defaulting Clearing Member.</u></p> <p>(1) if the buying customer has paid the purchase consideration to the Defaulting Clearing Member prior to 4.00 p.m. on the Settlement Day, and if such consideration has not been deposited into a trust account by the Defaulting Clearing Member, the buying customer shall pay a further sum towards payment of the purchase consideration to CDP by 5.00 p.m. on the Market Day following the Settlement Day. The buying customer's recourse for the repayment of the purchase consideration already paid to the Defaulting Clearing Member shall be against the Defaulting Clearing Member; or</p> <p>(2) if the buying customer has paid the purchase consideration to the Defaulting Clearing Member prior to 4.00 p.m. on the Settlement Day, and if such consideration has been deposited into a trust account by the Defaulting Clearing Member, the Defaulting Clearing Member or its agent shall pay such purchase consideration to CDP by 5.00 p.m. on the Market Day following the Settlement Day; and</p> <p>(3) if the buying customer has not paid the purchase consideration to the Defaulting Clearing Member prior to 4.00 p.m. on the Settlement Day, the buying customer shall pay the purchase consideration to CDP by 5.00 p.m. on the Market Day following the Settlement Day and title and right to such moneys shall not at any time pass to the Defaulting Clearing Member.</p>

RULE	ORIGINAL RULE	RULE AMENDMENT
8.3.2	New rule.	<p><u>For so long as the purchase consideration in respect of New Purchase Contracts has not been paid in full to CDP by a buying customer:</u></p> <p><u>(1) CDP shall have no obligation to make delivery of any securities to that buying customer pursuant to the New Purchase Contracts; and</u></p> <p><u>(2) to the extent that any securities pursuant to New Purchase Contracts have been credited to the Defaulting Clearing Member's Clearing Account or the Securities Account or sub-account of the buying customer, CDP shall have the right to recover such securities.</u></p>
8.4	DELIVERY OF SECURITIES UNDER NEW PURCHASE CONTRACT	DELIVERY OF SECURITIES UNDER NEW PURCHASE CONTRACT
8.4.1	Subject to Rule 6.6, the obligation of CDP to make delivery of securities to a buying customer pursuant to a New Purchase Contract shall be discharged by CDP crediting such securities to the Securities Account or sub-account of the buying customer upon payment by the buying customer. Title and right to such securities shall not at any time pass to the Defaulting Clearing Member.	Subject to Rule 6.6 <u>and Rule 8</u> , the obligation of CDP to make delivery of securities to a buying customer pursuant to a New Purchase Contract shall be discharged by CDP crediting such securities to the Securities Account or sub-account of the buying customer upon <u>at such time as CDP may determine after</u> payment by the buying customer. Title and right to such securities shall not at any time pass to the Defaulting Clearing Member.
8.4.2	In the event that the buying customer does not pay the purchase consideration to CDP by 5.00 p.m. on the Market Day following the Settlement Day, CDP shall be entitled to force-sell the securities or any part of the securities for which the buying customer has not made full payment.	In the event that the buying customer does not pay <u>any part of</u> the purchase consideration <u>for any New Purchase Contract</u> to CDP by <u>such time as CDP may determine</u> ; 5.00 p.m. on the Market Day following the Settlement Day,

RULE	ORIGINAL RULE	RULE AMENDMENT
		<p><u>(1) CDP shall be entitled (but not obliged) to force-sell any or all securities due from CDP to such customer at such time and price as CDP may determine. CDP has no liability for any losses to the buying customer or the Defaulting Clearing Member arising from the force-sale of securities. The resulting proceeds of such force-sale shall be held by CDP towards satisfaction of any liabilities of the customer to CDP in accordance with Rule 8-the securities or any part of the securities for which the buying customer has not made full payment.; and</u></p> <p><u>(2) any securities due from the customer to CDP (if not set-off pursuant to Rule 8.4.2(1)) shall be settled in accordance with Rule 8.5.</u></p>
8.4.3	<p>Notwithstanding that the Clearing Fund may have been drawn upon, CDP may at any time thereafter claim all losses and expenses consequent upon such force-sale, and all damages which CDP may sustain in this connection (regardless of whether such losses, expenses and damages have been insured against) shall be recoverable by CDP from:-</p> <p>(1) the buying customer and, failing him;</p> <p>(2) the Defaulting Clearing Member.</p>	No change.
8.5	DELIVERY OF SECURITIES UNDER NEW SALE CONTRACT	DELIVERY OF SECURITIES UNDER NEW SALE CONTRACT
8.5.1	<p>The obligation of the selling customer to make delivery of securities to CDP pursuant to a New Sale Contract shall be discharged by CDP debiting such securities from the "Free" balance of the Securities Account or sub-account of the selling customer and crediting CDP's suspense account before 12 midnight on the Settlement Day. Title and right to such securities shall not at any time pass to the Defaulting Clearing Member. In the event</p>	<p>The obligation of the selling customer to make delivery of securities to CDP pursuant to a New Sale Contract shall be discharged by CDP debiting such securities from the "Free" balance of the Securities Account or sub-account of the selling customer and crediting CDP's suspense account before 12 midnight on the Settlement Day. Title and right to such securities shall not at any time pass to the Defaulting Clearing Member. In the event</p>

RULE	ORIGINAL RULE	RULE AMENDMENT
	<p>that there are insufficient or no securities in the "Free" Balance of such Securities Account or sub-account, the selling customer shall be responsible to CDP for such shortfall.</p> <p>In addition, the selling customer shall ensure that the securities are available in the balance of his Securities Account or sub-account by 12.00 noon on Settlement Day, or such time as determined by CDP.</p> <p>Where the selling customer who:</p> <ol style="list-style-type: none"> (1) has not made available in the balance of his Securities Account or sub-account the securities or sufficient securities by 12.00 noon on Settlement Day or such time as determined by CDP; or (2) has failed to deliver the securities or sufficient securities at any time after the Settlement Day, <p>such securities will be acquired in the manner prescribed by CDP.</p> <p>The securities acquired shall thereafter be debited from the selling customer's Securities Account or sub-account. Notwithstanding that the Clearing Fund may have been drawn upon, CDP may at any time thereafter claim the difference and all losses and expenses consequent upon such acquiring of securities, and all damages which CDP may sustain in this connection (regardless of whether such losses, expenses and damages have been insured against) shall be recoverable by CDP from:—</p> <ol style="list-style-type: none"> (1) the selling customer and, failing him; (2) the Defaulting Clearing Member. 	<p>that there are insufficient or no securities in the "Free" Balance of such Securities Account or sub-account, the selling customer shall be responsible to CDP for such shortfall.</p> <p>In addition, the selling customer shall ensure that the securities are available in the balance of his Securities Account or sub-account by the start of the Settlement Run as set out in Appendix 1 12.00 noon on Settlement Day, or such other time as determined by CDP.</p> <p>Where the selling customer who:</p> <ol style="list-style-type: none"> (1) has not made available in the balance of his Securities Account or sub-account the securities or sufficient securities by the start of the Settlement Run as set out in Appendix 1 12.00 noon on Settlement Day or such time as determined by CDP; or (2) has failed to deliver the securities or sufficient securities at any time after the Settlement Day, <p>such securities will be acquired in the manner prescribed by CDP.</p> <p>The securities acquired shall thereafter be debited from the selling customer's Securities Account or sub-account. Notwithstanding that the Clearing Fund may have been drawn upon, CDP may at any time thereafter claim the difference and all losses and expenses consequent upon such acquiring of securities, and all damages which CDP may sustain in this connection (regardless of whether such losses, expenses and damages have been insured against) shall be recoverable by CDP from:—</p> <ol style="list-style-type: none"> (1) the selling customer and, failing him; (2) the Defaulting Clearing Member.

RULE	ORIGINAL RULE	RULE AMENDMENT
8.5.2	New rule.	<p><u>Notwithstanding that the Clearing Fund may have been drawn upon, CDP may at any time thereafter claim the difference and all losses and expenses consequent upon such acquiring of securities, and all damages which CDP may sustain in this connection (regardless of whether such losses, expenses and damages have been insured against) shall be recoverable by CDP from:—</u></p> <p><u>(1) the selling customer and, failing him;</u></p> <p><u>(2) the Defaulting Clearing Member.</u></p>
8.6	PAYMENT TO SELLING CUSTOMER UNDER NEW SALE CONTRACT	PAYMENT TO SELLING CUSTOMER UNDER NEW SALE CONTRACT
8.6.1	Subject to Rule 6.6, in respect of a New Sale Contract, CDP shall pay the purchase consideration to the selling customer by 5.00 p.m. on the Market Day following the Settlement Day and title and right to such moneys shall not at any time pass to the Defaulting Clearing Member, provided always that if the selling customer is indebted to the Defaulting Clearing Member, the selling customer agrees that CDP shall pay such purchase consideration or such part thereof (if the debt is less than the purchase consideration) to the Defaulting Clearing Member in satisfaction or part satisfaction of such selling customer's debt to the Defaulting Clearing Member.	Subject to Rule 6.6 <u>and Rule 8</u> , in respect of a New Sale Contract, CDP shall pay the <u>purchase sale</u> consideration to the selling customer <u>at such time as CDP may determine. by 5.00 p.m. on the Market Day following the Settlement Day and title</u> Subject to Rule 8.6C.2, title and right to such <u>moneys sale consideration</u> shall not at any time pass to the Defaulting Clearing Member, provided always that if the selling customer is indebted to the Defaulting Clearing Member, the selling customer agrees that CDP shall pay such purchase consideration or such part thereof (if the debt is less than the purchase consideration) to the Defaulting Clearing Member in satisfaction or part satisfaction of such selling customer's debt to the Defaulting Clearing Member.
8.6.2	Subject to Rule 8.6.3, CDP has the right to offset the sale consideration pursuant to Rule 8.6.1 against the purchase consideration pursuant to Rule 8.3.1, if the New Sales Contract and the New Purchase Contract are for the same customer, whether or not the New Sales Contract and the New Purchase Contract have the same Settlement Day.	Subject to Rule 8.6.3, CDP has the right to offset the sale consideration pursuant to Rule 8.6.1 against the purchase consideration pursuant to Rule 8.3.1, if the New Sales Contract and the New Purchase Contract are for the same customer, whether or not the New Sales Contract and the New Purchase Contract have the same Settlement Day.
8.6.3	CDP may require the buying customer of the New Purchase Contract to pay CDP	CDP may require the buying customer of the New Purchase Contract to pay CDP

RULE	ORIGINAL RULE	RULE AMENDMENT
	the purchase consideration pursuant to Rule 8.3.1 on the Market Day following the Settlement Day irrespective of whether the buying customer has a New Sales Contract.	the purchase consideration pursuant to Rule 8.3.1 on the Market Day following the Settlement Day irrespective of whether the buying customer has a New Sales Contract.
8.6A	EFFECT OF DEFAULT ON NOVATED MARGINABLE FUTURES CONTRACTS	EFFECT OF DEFAULT ON NOVATED MARGINABLE FUTURES CONTRACTS
8.6A.1	This Rule shall apply only to Novated Contracts in respect of Marginable Futures Contracts (hereafter “novated Marginable Futures Contracts”).	No change.
8.6A.2	<p>For positions in novated Marginable Futures Contracts, immediately upon such breach under Rule 8.1.2, CDP may:—</p> <ol style="list-style-type: none"> (1) appoint 1 or more Clearing Members to whom all or any part of such positions shall be transferred to be handled for the Defaulting Clearing Member. When positions are so transferred, margins deposited thereon and any settlement due or collected must be delivered to CDP, to be entrusted to the Clearing Member or Members designated to handle the transactions; (2) borrow securities, execute buying-in or offset against the customer's obligations under New Purchase Contracts and New Sale Contracts, on behalf of and at the risk of the Defaulting Clearing Member, for the purpose of meeting settlement obligations; (3) execute hedging transactions, on behalf of and at the risk of the Defaulting Clearing Member, to eliminate or reduce market risk resulting from such positions; and (4) without prejudice to Rule 8.6A.2(1), appoint 1 or more Trading Members to liquidate such positions on the behalf of and at the risk of the Defaulting Clearing Member. 	<p>For positions in novated Marginable Futures Contracts, immediately upon such breach under Rule 8.1.2, CDP may:-</p> <ol style="list-style-type: none"> (1) appoint 1 or more Clearing Members to whom all or any part of such positions shall be transferred to be handled for the Defaulting Clearing Member. When positions are so transferred, margins deposited thereon and any settlement due or collected must be delivered to CDP, to be entrusted to the Clearing Member or Members designated to handle the transactions; <u>transfer all positions in relation to any Customer Account held by the Defaulting Clearing Member to another Clearing Member designated by CDP. When such positions are so transferred, the following shall apply:</u> <ol style="list-style-type: none"> <u>(a) subject to Rule 8.6A.2(1)(c), margins deposited with CDP in respect of the positions shall be entrusted to the designated Clearing Member;</u> <u>(b) the margins entrusted to a designated Clearing Member pursuant to this Rule 8.6A.2(1) may not be in such form as was originally deposited with the CDP;</u>

RULE	ORIGINAL RULE	RULE AMENDMENT
		<p><u>(c) CDP shall have the discretion not to entrust all or any part of the margins to a designated Clearing Member as described in Rule 8.6A.2(1)(a) if Collateral deposited with CDP in relation to such Customer Accounts may be applied pursuant to Rule 8.6B.1. Where margins are not entrusted to the designated Clearing Member, the designated Clearing Member shall be required to collect the required margins from the relevant customer in accordance with these Clearing Rules; and</u></p> <p><u>(d) the margins not entrusted to the designated Clearing Member shall be retained by CDP and may be applied in accordance with Rule 8.6B.1. Any unused margins shall be returned to the Defaulting Clearing Member, or entrusted to the designated Clearing Member, as CDP deems appropriate:</u></p> <p><u>(i) following the settlement of losses arising from the Event of Default; or</u></p> <p><u>(ii) at such time that CDP determines that the margins may not be used;</u></p> <p>(2) borrow securities, execute buying-in or offset against the customer's obligations under New Purchase Contracts and New Sale Contracts, on behalf of and at the risk of the Defaulting Clearing Member, for the purpose of meeting settlement obligations;</p>

RULE	ORIGINAL RULE	RULE AMENDMENT
		<p>(3) execute hedging transactions, on behalf of and at the risk of the Defaulting Clearing Member, to eliminate or reduce market risk resulting from such positions; and</p> <p>(4) without prejudice to Rule 8.6A.2(1), appoint 1 or more Trading Members to liquidate such positions on the behalf of and at the risk of the Defaulting Clearing Member.</p>
8.6A.3	All costs and expenses sustained by CDP in connection with any steps which are or may be taken by CDP pursuant to Rule 8.6A.2, including losses incurred from authorised hedging transactions and the unwinding of such hedging transactions, shall be charged to the account of the Defaulting Clearing Member.	No change.
8.6B	APPLICATION OF COLLATERAL	APPLICATION OF COLLATERAL
8.6B.1	<p>Without prejudice and subject to the other provisions of these Clearing Rules, in particular Rule 7.9.1:</p> <p>(1) where a Clearing Member has failed promptly to discharge any of its obligations to CDP, CDP may apply Collateral, including without limitation letters of credit procured by the Clearing Member to be issued to CDP, deposited or provided by the Clearing Member, except where such margins or other Collateral were deposited solely in relation to a Customer Account;</p> <p>(2) notwithstanding Rule 8.6B.1(1), where a Clearing Member has failed promptly to discharge any of its obligations to CDP, and CDP has reasonable grounds for forming an opinion that the failure is directly attributable to the failure of any Customer Account holder to meet its obligations, CDP may apply:</p>	No change.

RULE	ORIGINAL RULE	RULE AMENDMENT
	<p>(a) margins or other Collateral (including without limitation letters of credit procured by the Clearing Member to be issued to CDP) deposited or provided by the Clearing Member solely in relation to Customer Accounts provided that the conditions in the SFA are satisfied; and</p> <p>(b) any qualifying letters of credit deposited with or provided to CDP by a Trading Member sponsored by the Clearing Member, provided that the Clearing Member's default is attributable to such Trading Member's act or omission.</p>	
8.6B.1A	<p>In exercising its powers under Rule 8.6B.1, CDP may liquidate any non-cash Collateral deposited with it by a Clearing Member. Such Clearing Member shall be liable to CDP for any costs and expenses incurred in connection with the liquidation. CDP shall not be liable for any losses to any person arising from such liquidation.</p>	No change.
8.6B.2	<p>The Clearing Member shall not take any action or do anything that will directly or indirectly interfere with, prohibit, restrict or inhibit the ability of CDP to so apply such Contributions, margins or other Collateral and CDP shall, except where it has acted in bad faith, be under no liability to the Clearing Member or any other person whatsoever in so applying such Contributions, margins or other Collateral and the Clearing Member shall fully indemnify and keep indemnified CDP and hold CDP harmless against any such liability.</p>	No change.
8.6B.3	<p>Where the Clearing Member has failed to settle its financial obligations to CDP, CDP shall be entitled to retain any Collateral deposited or provided by the Clearing Member which have not been utilised pursuant to this Rule 8.6B, except where</p>	<p>Where the Clearing Member has failed to settle its financial obligations to CDPSGX-DC, CDP shall be entitled to retain any Collateral deposited or provided by the Clearing Member which have not been utilised pursuant to this Rule 8.6B, except</p>

RULE	ORIGINAL RULE	RULE AMENDMENT
	such Collateral were deposited with or provided to CDP solely in relation to Customer Accounts.	where such Collateral were deposited with or provided to CDP solely in relation to Customer Accounts.
8.6C	New rule.	<u>SET-OFF OF OBLIGATIONS UNDER NEW PURCHASE CONTRACT AND NEW SALE CONTRACT</u>
8.6C.1	New rule.	<p><u>In respect of any or all New Purchase Contracts and any or all New Sale Contracts for the same customer, CDP shall be entitled (but not obliged) to set-off:</u></p> <p><u>(1) any or all moneys due from CDP to such customer, including without limitation the proceeds from the force-sale pursuant to Rule 8.4.2 and the sale consideration pursuant to Rule 8.6.1; against</u></p> <p><u>(2) any or all moneys due from such customer to CDP, including without limitation the purchase consideration pursuant to Rule 8.3.1, all losses and expenses consequent upon any force-sale pursuant to Rule 8.4.3 and all losses and expenses consequent upon any acquiring of securities pursuant to Rule 8.5.1.</u></p>
8.6C.2	New rule.	<p><u>If a customer in respect of any New Purchase Contract or New Sale Contract is indebted to the Defaulting Clearing Member, the customer agrees that CDP shall be entitled to:</u></p> <p><u>(1) withhold the amount or part thereof due from CDP to the customer pursuant to Rule 8 in satisfaction or part satisfaction of such customer's debt to the Defaulting Clearing Member; and</u></p> <p><u>(2) at any time as CDP may determine, treat such withheld amount as assets of the Defaulting Clearing Member subject to such rights and remedies of CDP under these Clearing Rules.</u></p>

RULE	ORIGINAL RULE	RULE AMENDMENT
8.6D	New rule.	<u>TRUST ARRANGEMENTS FOR MONIES IN CONNECTION WITH NEW PURCHASE CONTRACTS AND NEW SALE CONTRACTS</u>
8.6D.1	New rule.	<u>Subject to all rights and remedies of CDP against or in respect of such amount under these Clearing Rules, any amount due from CDP to a customer pursuant to Rule 8 shall be held on trust by CDP for the benefit of such customer.</u>
8.6D.2	New rule.	<u>CDP shall have the right to commingle any or all amounts due to a customer pursuant to Rule 8 with any other amounts due to any other customer pursuant to Rule 8.</u>
8.6D.3	New rule.	<u>Unless otherwise notified by CDP to a customer from time to time, CDP shall have no obligation to make payment of any fees, interest and investment earnings to any customer arising from or in connection with such amounts held on trust by CDP pursuant to Rule 8.6D.1.</u>
8.6D.4	New rule.	<u>CDP shall not have any obligation or responsibility to preserve, protect, collect or realise, and under no circumstances shall CDP be liable for any loss or diminution in value or depreciation in or in connection with, such amounts held on trust by CDP pursuant to Rule 8.6D.1.</u>
8.7	CERTIFICATION OF NET SUM DUE	No change.
8.7.1	Upon CDP declaring that an Event of Default has occurred, CDP shall as soon as reasonably practicable certify the net sum payable by the Defaulting Clearing Member in respect of its rights and obligations arising under these Clearing Rules. The Defaulting Clearing Member shall pay any net amount so payable by it to CDP forthwith.	No change.
8.8	[Rule has been deleted.]	No change.

RULE	ORIGINAL RULE	RULE AMENDMENT
8.9	New rule.	<u>CLEARING MEMBERS TO RENDER ASSISTANCE</u>
8.9.1	New rule.	<p><u>To facilitate the operation of a safe and efficient clearing facility, including the settlement of New Sale Contracts and New Purchase Contracts by CDP, the Defaulting Clearing Member shall:</u></p> <p><u>(1) render all assistance as CDP requires, including without limitation making available the Defaulting Clearing Member's premises, systems and officers;</u></p> <p><u>(2) provide CDP with information, books and records which, in CDP's opinion may be relevant to the settlement of New Sale Contracts and New Purchase Contracts; and</u></p> <p><u>(3) comply with all other requirements that CDP may specify.</u></p>
8.9.2	New rule.	<p><u>CDP may request one or more Clearing Members to assist CDP in the settlement of New Sale Contracts and New Purchase Contracts, where CDP considers such assistance necessary to facilitate the operation of a safe and efficient clearing facility. Clearing Members shall, upon such request, render such assistance as CDP may require.</u></p>
8.9.3	New rule.	<p><u>CDP shall be entitled (but not obliged) to rely on the books and records of the Defaulting Clearing Member as conclusive evidence of the entitlements or indebtedness of the customers of the Defaulting Clearing Member due from or owing to the Defaulting Clearing Member.</u></p>

AMENDMENTS TO APPENDIX 1 TO THE CDP CLEARING RULES

RULE AMENDMENT

The settlement of payment schedule for Clearing Members in respect of all currencies is as follows:

Event	Full Day	Half Day
One day before Settlement Day		
CDP to issue Proforma Daily Settlement of Account Statement to Clearing Members#	By 10.00am	By 10.00am
Settlement Day		
CDP to issue Daily Settlement of Account Statement to Clearing Members##	By 10.00am	By 10.00am
Settlement Run	12.00pm to 2:00pm	9.00am to 10:15am
CDP to issue Online Transmission of Final Settlement Balances to Clearing Members^	2.30pm	10.45am
Clearing Members to pay debit Final Settlement Balances to CDP	By 3.30pm	By 11.45am
CDP to pay credit Final Settlement Balances to Clearing Members	By 4.30pm	By 12.45pm

* Half day refers to CDP's half working days on the eve of Christmas, New Year and Chinese New Year

Clearing Members must have sufficient money balance and/or credit lines with their settlement banks to enable the settlement banks to confirm CDP instructions for AUD and RMB trades within an hour of issuance of settlement instructions by CDP

Clearing Members must have sufficient money balance and/or credit lines with their settlement banks to enable the settlement banks to confirm CDP instructions for HKD trades within an hour of issuance of settlement instructions by CDP

^ Clearing Members must have sufficient money balance and/or credit lines with their settlement banks to enable the settlement banks to confirm CDP instructions for SGD and USD trades within an hour of issuance of settlement instructions by CDP

AMENDMENTS TO SCHEDULE A TO THE CDP CLEARING RULES

Rule Violation		Whether composition may be offered	Composition Amount which may be Offered by CDP, where CDP has Determined the Clearing Member to be Liable			Mandatory minimum penalty imposed by the DC
Rule Chapter/Number	Brief Description of Rule		1st Violation	2nd Violation	3rd Violation	
6B.7.1A	Clearing Member to secure contractual waivers in favour of the Clearing Member from its customers, waiving their rights to interest and investment earnings from Collateral held with CDP.	Compoundable	\$2,000 – \$4,000	\$4,000 – \$7,000	\$7,000 – \$10,000	N.A.
8.9.1	Defaulting Clearing Member to render all assistance and information, and to comply with all other requirements.	Not compoundable	N.A.	N.A.	N.A.	\$10,000
8.9.2	Clearing Members to assist with the settlement of New Sale Contracts and New Purchase Contracts.	Not compoundable	N.A.	N.A.	N.A.	\$10,000