

Securities and Futures (Clearing of Derivatives Contracts) Regulations 2018

Table of Contents

Enacting Formula

1 Citation and commencement

2 Definitions

3 Specified derivatives contracts

4 Prescribed time

5 Exemption from section 129C of Act

6 Keeping of books and other information

THE SCHEDULE Specified derivatives contracts

No. S 264

SECURITIES AND FUTURES ACT (CHAPTER 289)

SECURITIES AND FUTURES (CLEARING OF DERIVATIVES CONTRACTS) REGULATIONS 2018

In exercise of the powers conferred by sections 129G and 341 of the Securities and Futures Act, the Monetary Authority of Singapore makes the following Regulations:

Citation and commencement

1. These Regulations are the Securities and Futures (Clearing of Derivatives

Contracts) Regulations 2018 and come into operation on 1 October 2018.

Definitions

2. In these Regulations —

“aggregate outstanding notional amount”, in relation to a bank that holds a licence granted under section 7 or 79 of the Banking Act (Cap. 19), means the aggregate of the notional amounts of every derivatives contract —

- (a) which is not an exchange-traded derivatives contract;
- (b) to which the bank is a party;
- (c) which is booked in Singapore; and
- (d) which is outstanding;

[S 466/2021 wef 01/07/2021]

“booked in Singapore”, in relation to a derivatives contract, means the entry of the derivatives contract on the balance-sheet or the profit and loss accounts of a person where —

- (a) the person is a party to the derivatives contract;
- (b) the person’s place of business is in Singapore; and
- (c) the balance-sheet or the profit and loss accounts relate to the person’s business in Singapore;

“business day” means any day other than a Saturday, Sunday or public holiday;

“outstanding”, in relation to a derivatives contract, refers to a derivatives contract that —

- (a) has not expired; and
- (b) has not been terminated in accordance with the terms and conditions of the derivatives contract or by agreement between the parties to the derivatives contract;

“place of business”, in relation to a party to a derivatives contract, means a head or main office, a branch, a representative office or any other office of the party.

Specified derivatives contracts

3. The derivatives contracts set out in the Schedule are prescribed for the purposes of the definition of “specified derivatives contract” in section 129B of the Act.

Prescribed time

4. For the purposes of section 129C(1) of the Act, the prescribed time is one business day after the day on which the specified derivatives contract is entered into.

Exemption from section 129C of Act

5. The following specified persons are exempt from section 129C of the Act:

- (a) any bank that holds a licence granted under section 7 or 79 of the Banking Act whose aggregate outstanding notional amount does not exceed \$20,000,000,000 —
 - (i) for the last day of the most recently completed quarter; and
 - (ii) for last day of each of the 3 consecutive quarters immediately preceding that quarter;

[S 466/2021 wef 01/07/2021]
- (b) any bank that holds a licence granted under section 7 or 79 of the Banking Act that has been carrying on business for less than one year;

[S 466/2021 wef 01/07/2021]
- (c) any merchant bank that holds a merchant bank licence, or is treated as having been granted a merchant bank licence, under the Banking Act;

[S 466/2021 wef 01/07/2021]
- (d) any finance company licensed under the Finance Companies Act (Cap. 108);
- (e) any insurer licensed under the Insurance Act (Cap. 142);
- (f) any holder of a capital markets services licence.

Keeping of books and other information

6.—(1) Every specified person who is not exempt under regulation 5 must ensure that all relevant books, and all transaction information and other information as may be 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 transaction information or other 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.

(2) Any specified person who contravenes paragraph (1) shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$50,000 and, in the case of a continuing offence, to a further fine not exceeding \$5,000 for every day or part of a day