

# **Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) (Amendment) Regulations 2007**

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**No. S 445**

## **SECURITIES AND FUTURES ACT (CHAPTER 289)**

### **SECURITIES AND FUTURES (FINANCIAL AND MARGIN REQUIREMENTS FOR HOLDERS OF CAPITAL MARKETS SERVICES LICENCES) (AMENDMENT) REGULATIONS 2007**

In exercise of the powers conferred by sections 86 (3), 100 and 341 of the Securities and Futures Act, the Monetary Authority of Singapore hereby makes the following Regulations:

#### **Citation and commencement**

1. These Regulations may be cited as the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) (Amendment) Regulations 2007 and shall come into operation on 27th February 2008.

### **Amendment of regulation 2**

2. Regulation 2 of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations (Rg 13) (referred to in these Regulations as the principal Regulations) is amended by inserting, immediately after the words “Fourth Schedule” in the definition of “recognised group A exchange”, the words “, or the corporation known as Singapore Commodity Exchange Ltd”.

### **Amendment of regulation 26**

3. Regulation 26 (1) of the principal Regulations is amended by deleting the words “(under “Legislation and Notices”, “Securities and Futures”)” and substituting the words “(under “Regulations and Licensing”, “Securities, Futures and Fund Management”)”.

### **Amendment of Second Schedule**

4. The Second Schedule to the principal Regulations is amended —

- (a) by deleting the word “or” at the end of paragraph (k)(i) of the definition of “illiquidity adjustment” in paragraph 1(4); and
- (b) by inserting, at the end of sub-paragraph (ii) of paragraph (k) of the definition of “illiquidity adjustment” in paragraph 1(4), the word “or”, and by inserting immediately thereafter the following sub-paragraph:
  - “(iii) where the contingent liability is created for the purpose of securing, guaranteeing or indemnifying any obligation of the holder to an approved exchange, a designated clearing house, a recognised group A exchange, or a clearing facility appointed by a recognised group A exchange;”.

### **Amendment of Third Schedule**

5. The Third Schedule to the principal Regulations is amended —

- (a) by inserting, immediately after the words “designated clearing house” in paragraph 3(23), the words “or a clearing facility appointed by a recognised group A exchange”;
- (b) by deleting the words “a futures exchange” in paragraph 3(32) and

substituting the words “an approved exchange, a recognised group A exchange, a recognised group B exchange, an overseas securities exchange”;

- (c) by deleting sub-paragraph (37) of paragraph 3 and substituting the following sub-paragraph:

“(37) In this paragraph, the values attributable to the assets deposited by a counterparty to satisfy maintenance margin requirements of —

- (a) an approved exchange;
- (b) a designated clearing house;
- (c) a recognised group A exchange;
- (d) a recognised group B exchange;
- (e) an overseas securities exchange;
- (f) an overseas futures exchange; or
- (g) a clearing facility appointed by an entity referred to in sub-paragraph (a), (c), (d), (e) or (f),

as the case may be, shall be determined in accordance with the relevant business rules of that exchange, designated clearing house or clearing facility, as the case may be.”;

- (d) by deleting the definition of “maintenance margin” in paragraph 3(38) and substituting the following definition:

“ “maintenance margin” means the amount of maintenance margin prescribed by —

- (a) the approved exchange;
- (b) the designated clearing house;
- (c) the recognised group A exchange;
- (d) the recognised group B exchange;
- (e) the overseas securities exchange;
- (f) the overseas futures exchange; or
- (g) the clearing facility appointed by the entity referred to in sub-paragraph (a), (c), (d), (e) or (f),