



Asia Pacific Exchange Pte. Ltd. Trading Procedures

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Asia Pacific Exchange Pte. Ltd.
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1 SYSTEM ACCESS

1.1 General

1.1.1 These Trading Procedures are the “**Trading Procedures**” as defined in the Asia Pacific Exchange Pte. Ltd. Trading Rulebook (the “**Trading Rules**”) and are subject to the Trading Rules. These Trading Procedures, and all non-contractual obligations arising out of or in connection with them, are governed by and shall be construed in accordance with Singapore law and any dispute arising under these Trading Procedures will be subject to Chapter 6 of the Trading Rules. Unless otherwise defined in these Trading Procedures, all capitalised terms in these Trading Procedures shall bear the meanings as ascribed to them in the Trading Rules.

1.1.2 The Exchange Systems consist of:

- (i) “**Exchange Trading Platform**”, the electronic trading system (which maintains the central orderbook and hosts the order matching engine) for the trading of Contracts as determined by the Exchange from time to time;
- (ii) “**APEX Block Trade and EFRP Facility**”, the trade registration system operated by the Exchange for Block Trades and EFRP; and
- (iii) “**APEX Member and Customer Management System**”, the central registration system operated by the Exchange for Member’s Representatives, Member’s Traders and Clients, as well as the registration for Seat IDs and user IDs.

The Exchange Trading Platform and APEX Block Trade and EFRP Facility are also connected to the “**APEX Clear System**”, the clearing system of the Clearing House.

Pursuant to Trading Rule 802(a), Members shall enter orders into the Market using the Exchange Trading Platform.

1.2 Exchange Trading Platform System Access

1.2.1 Access by a Member to the Exchange Trading Platform may only be obtained during the hours determined by the Exchange from time to time.

1.2.2 A Member may access the Exchange Trading Platform by using any Front End Application, developed by the Member or provided by an ISV, which satisfies all conformance criteria for connectivity to the Exchange Trading Platform as determined and approved by the Exchange from time to time (the “**Conformance Criteria**”).

1.2.3 To access the Exchange Trading Platform, a Member must be issued an approved connectivity identifier (the “**Seat ID**”) for each node of connectivity to the Exchange Trading Platform. Application for a Seat ID should be submitted to the Exchange’s Operations department with all supporting documents specified by the Exchange from time to time. For each Seat ID application for a Seat ID, there must be a designated Member’s Representative who shall be responsible for connectivity and usage (the

“**Seat Representative**”), and the Member and its Seat Representative shall be responsible for all orders entered and trades executed under such Seat ID including where access to the Exchange Trading Platform is granted by the Member to its Clients by order routing or by sponsored access.

- 1.2.4 A Member must also issue a user ID which is unique at the Member level to each individual who is granted access to the Exchange Trading Platform through the Member’s Exchange-approved Front End Application under a given Seat ID of the Member, and must be able to identify such individual assigned to a particular user ID.
- 1.2.5 To gain access to the Exchange Trading Platform for the purpose of entering an order or executing a trade or performing a supervisory role, a Member’s Trader must:
- (i) be registered by a Member with the Exchange as a Member’s Trader pursuant to Trading Rule 311;
 - (ii) be able to obtain the use of his Member’s Front End Application which is connected to Exchange Trading Platform;
 - (iii) use an aforesaid unique user ID allocated to him by his Member; and
 - (iv) be registered with any relevant Regulatory Authority and have all relevant authorisations (referred to in Trading Rule 303(a)(3)), if applicable.
- 1.2.6 Trading may also be conducted by a Member’s Clients (order routing) where access to the Exchange Trading Platform is granted by the Member to the Clients through the Member’s Exchange-approved Front End Application, provided the Client orders are entered under an approved Seat ID of the Member and under the supervision of the relevant Seat Representative for such Seat ID.
- 1.2.7 Trading may also be conducted by a Member’s Client where access to the Exchange Trading Platform is through the Client’s own Front End Application under an approved Seat ID of the Member authorised for sponsored access. Notwithstanding that the Client may be entering an order or executing a trade under an approved Seat ID of the Member authorised for sponsored access, without prejudice to the generality of Trading Procedure 1.2.3, the Client acknowledges, undertakes and agrees to be primarily and principally liable for such orders entered or trades executed under the approved Seat ID of the Member authorised for sponsored access. In order to obtain sponsored access to the Exchange Trading Platform, the Member’s Client must:
- (i) obtain the written authorization of the Member;
 - (ii) only use an Exchange-approved Front End Application which complies with the Conformance Criteria from time to time; and
 - (iii) access the Exchange Trading Platform only via an approved Seat ID as authorised by the relevant Member for sponsored access.
- 1.2.8 Where a Member authorizes sponsored access for its Clients, the Member must:
- (i) maintain a record of the identity, address and contact information of all Clients authorised with sponsored access and such approved Seat ID assigned to each Client;

- (ii) produce the information set out in Trading Procedure 1.2.8(i) to the Exchange from time to time as the Exchange may require;
- (iii) submit an application for a Seat ID designated for sponsored access on behalf of its Client to the Exchange's Operations department together with all supporting documents specified by the Exchange from time to time;
- (iv) ensure that there is a designated Seat Representative who shall be a Member's Representative responsible for ensuring the connectivity and usage of the Client's own Front End Application and who shall maintain oversight over all orders entered and trades executed under such Seat ID; and
- (v) ensure there are risk controls in place to check that all orders entered and trades executed under such Seat ID by the Client are suitable for the Client's financial capability.

1.2.9 Pursuant to Trading Rule 306, a Member shall:

- (i) establish its own internal trading procedures to ensure each Member's Trader meets the requirements set out in Trading Procedure 1.2 and that all other relevant obligations contained in the Trading Rules and these Trading Procedures are complied with;
- (ii) implement security measures to ensure only individuals (i) who are authorised by the Member to trade and which have been registered with the Exchange pursuant to Trading Rule 311 as Member's Traders; or (ii) who are permitted by the Member in accordance with Trading Procedure 1.2.6 to trade as or for the Member's Client, have access to the Exchange Trading Platform;
- (iii) promptly inform the Exchange of anything concerning the Member's Trader which might reasonably be expected to be disclosed to the Exchange under Trading Rule 311(c). This duty shall arise as soon as the Member becomes aware, or has reasonable grounds for believing, that a matter requiring disclosure has arisen;
- (iv) ensure that any trading access granted to individuals is controlled and supervised, including the ability to make appropriate checks before any orders are entered to the Exchange Trading Platform; and
- (v) register with the Exchange any Front End Application intended to be used to access the Exchange Trading Platform, and only operate such Front End Application which complies with the Conformance Criteria determined by the Exchange from time to time, with the prior written approval of the Exchange.

1.3 Member's Trader and Client

1.3.1 A Member's Trader may execute trades himself and/or be a trading supervisor.

1.3.2 Where access to the Exchange Trading Platform is granted by the Member to Clients (order routing), the Member must ensure that Client orders are entered under an approved Seat ID, and under the supervision of the relevant Seat Representative for such Seat ID.

1.3.3 A Member's Trader must:

- (i) be adequately trained and fully conversant with the Trading Rules, relevant Contract Terms and these Trading Procedures;
- (ii) be assigned a unique user ID and valid password to access the Exchange Trading Platform via the Member's Exchange-approved Front End Application;
- (iii) not allow his unique user ID to be used for unauthorised access; and
- (iv) pursuant to Trading Procedure 4.1.7, conduct all telephone conversations in relation to client orders on audio logged lines.

1.3.4 In the course of monitoring the Market, the Exchange will direct all queries relating to orders entered and trades executed under a particular Seat ID to the Seat Representative responsible for the Seat ID, regardless if the orders and trades were respectively entered or executed directly by the Client (order routing) or by any other Member's Trader. In this respect, the Seat Representative responsible for the Seat ID must:

- (i) have adequate arrangement to modify or withdraw any orders entered by the Clients or any other Member's Trader under the Seat ID he is responsible for;
- (ii) be satisfied with the competence, suitability, fitness and properness of any person conducting business under the Seat ID he is responsible for;
- (iii) ensure that all business conducted under his Seat ID is conducted in accordance with the Trading Rules; and
- (iv) be aware and ready to disclose to the Exchange the immediate source of all orders.

1.3.5 Access to the Exchange Trading Platform may be suspended or terminated by the Exchange if it is established that there has been a breach of Rules and/or to protect the integrity of the market on the Exchange. For the purposes of Trading Procedure 1.2.6, a Member shall ensure that it retains the ability to immediately suspend or terminate a Client's access to the Exchange Trading Platform as directed by the Exchange from time to time.

1.4 Member's Trader Registration Procedures

1.4.1 A Member must register at least one Member's Trader with the Exchange in order to access the Exchange Trading Platform to conduct Exchange business.

1.4.2 A Member must ensure it has a sufficient number of Member's Traders for the nature and scale of business conducted.

1.4.3 A Member must register with the Exchange all staff that are required to work as Member's Traders. The registration must be made through the APEX Member and Customer Management System, prior to the Member's Trader accessing the Exchange Trading Platform. Once the registration is accepted by the Exchange, the Member can proceed to setup the Member's Trader's user ID on their Front End Application to connect to the Exchange Trading Platform.

1.4.4 A Member must also ensure all staff who are no longer required to work as Member's Traders or who leave their employment are de-registered, and any user ID allocated to

them is terminated, no later than the next Business Day or the next Trading Day (whichever is earlier) after the last day of their service. All de-registration shall be submitted through the APEX Member and Customer Management System.

- 1.4.5 An individual who is registered as Member's Trader but wishes to transfer from one Member to another will not be permitted to access the Exchange Trading Platform until:
- (i) his former Member de-registers him in accordance with Trading Procedure 1.4.4; and
 - (ii) the new Member has registered him through the APEX Member and Customer Management System as its Member's Trader.

1.5 Contact by Exchange

- 1.5.1 A Member shall provide a contact list to the Exchange to facilitate communication between the Member and Exchange during the official business hours of the Exchange, and keep such contact list updated.

2 TRADING

2.1 Trading Hours

- 2.1.1 Trading Hours applicable to each Contract listed on the Exchange may vary. Members should refer to the applicable Contract Terms and applicable Regulatory Notices to determine the precise Trading Hours applicable thereto.

2.2 Pre-Opening Session

- 2.2.1 Prior to the commencement of a trading session for a Contract, the Exchange may provide a pre-opening session for such period as may be specified by the Exchange. The Exchange reserves the right to determine which trading session shall have a pre-opening session.
- 2.2.2 During the pre-opening session, a Member may only enter limit orders, and may cancel such orders, in the central orderbook held on the Exchange Trading Platform.

All orders which are designated as active are included in the opening match at the end of the pre-opening session.

After the end of the pre-opening session and before the commencement of the subsequent trading session, the Exchange Trading Platform will perform the opening match. During the opening match, no new orders may be entered. All orders entered and designated as active during the pre-trading session will be considered and, where appropriate, trades will be executed.

The price level and quantity of Contracts traded during the pre-opening session are determined based generally on the principle of maximum traded volume (that is, the execution price that generates the greatest trading volume), or otherwise by an algorithm determined by the Exchange from time to time.

2.3 Opening of a Trading Session

2.3.1 The opening of a trading session for a Contract will be specified in the respective Contract Terms and applicable Regulatory Notices.

2.4 Closing of a Trading Session

2.4.1 The closing of a trading session for a Contract will be specified in the respective Contract Terms and applicable Regulatory Notices.

2.4.2 Once a trading session has closed, no orders can be entered and no trades can be executed until the opening of the next trading session or pre-opening session, if applicable.

2.5 Price Limits

2.5.1 The Exchange shall set a price limit in accordance with the respective Contract Terms in the Exchange Trading Platform for each Contract. The price limit is the magnitude which the price of a Contract may change from the previous Trading Day's settlement price.

If an order entered is outside of the price limit, such order in its entirety shall be rejected by the Exchange Trading Platform.

2.5A Dynamic Price Banding

2.5A.1 Dynamic price banding, if applied to a given Contract, sets out limits around a dynamic reference price, outside of which orders for such Contract will not be accepted into the Market. Any buy order above the reference price plus a fixed value or a percentage of the reference price ("upper band"), or any sell order below the reference price minus a fixed value or a percentage of the reference price ("lower band"), will be rejected in its entirety by the Exchange Trading Platform. The upper band applies to buy orders only, while the lower band applies to sell orders only.

2.5A.2 In respect of a given Contract to which dynamic price banding under this Trading Procedure 2.5A is applied, for the first pre-opening session on a given Trading Day, the Daily Settlement Price of such Contract for the previous Trading Day shall be used as the reference price for such Contract for the purposes of this Trading Procedure 2.5A. For subsequent pre-opening sessions for that Trading Day, such reference price shall be the latest reference price from the immediately prior trading session on that Trading Day.

2.5A.3 During a trading session of a given Contract to which dynamic price banding under this Trading Procedure 2.5A is applied, the current reference price for such Contract for the purposes of this Trading Procedure 2.5A shall be the last trade price for such Contract, or the best bid (offer) price for such Contract if it is higher (lower) than the last trade price. If the last trade price for such Contract is not available, the Daily Settlement Price of such Contract for the previous Trading Day shall be compared with the best bid and best offer prices in order to determine the reference price for such Contract for the present trading session. If all of the above mentioned three prices are not available, the reference price for such Contract for the purposes of this Trading Procedure 2.5A shall be the Daily Settlement Price of such Contract for the previous Trading Day.

2.5A.4 Order entry will be subjected to both the dynamic price banding under this Trading Procedure 2.5A and any price limits set pursuant to Trading Procedure 2.5, if applied concurrently.

2.5A.5 The Exchange shall determine at its sole discretion whether to apply dynamic price banding to any one or more Contracts listed by the Exchange. A complete list of dynamic price banding information for each Contract will be published on the Exchange's website.

2.6 Position Limit Exemption

2.6.1 Pursuant to Chapter 9 of the Trading Rules, a Member who wishes to apply for a position limit exemption shall submit a written request to the Exchange.

2.6.2 Subject to the conditions provided for under Trading Rules 902, 903 and 904, a Member applying for a position limit exemption for positions held in an omnibus position-keeping account shall disclose the identities of each of the sub-account holders within this Omnibus Account to the Exchange and Clearing House.

2.7 Settlement Price

2.7.1 Pursuant to Trading Rule 807, the Daily Settlement Price for each Contract will be determined by the Clearing House in accordance with the relevant formulae and procedures set out in the relevant Contract Terms.

2.7.2 Pursuant to Trading Rule 808, the Final Settlement Price for each Contract will be determined by the Clearing House in accordance with the relevant formulae and procedures set out in the relevant Contract Terms.

2.8 Responsibilities of the Exchange

2.8.1 The Exchange shall:

- (i) monitor all activities on the Exchange Trading Platform to ensure that trading is carried out in an orderly and fair manner, in accordance with the Trading Rules and Trading Procedures;
- (ii) monitor all trades to identify any executed trade which may be invalid and take the appropriate actions to notify all Members on any such executed trade;
- (iii) monitor all trades to identify any abnormality in prices and take the appropriate actions to notify all Members on such instances; and
- (iv) perform any other responsibility that the Exchange may additionally prescribe in the Trading Rules and Trading Procedures from time to time.

2.9 Contingency Procedures

- 2.9.1 The Exchange has installed a parallel set of production and back-up server facilities in geographically separated data centres, either of which can support the operation of the Exchange Trading Platform.
- 2.9.2 In the event of a disaster or other event affecting the production and back-up server facilities which results in the failure in whole or in part of the Exchange Trading Platform and system recovery fails, the Exchange may, pursuant to Trading Rule 714(b), temporarily suspend trading until failover of the system to the back-up facilities has been completed and the operation of the Exchange Trading Platform can be resumed.

3 TRADING CONDUCT

3.1 Withholding Client Orders

- 3.1.1 A Member, or person subject to the Trading Rules, as appropriate, must neither withdraw, nor withhold a Client's order in whole or in part without the Client's consent and shall not procure another Member to act in contravention of this Trading Procedure 3.1.1.
- 3.1.2 A Member, or person subject to the Trading Rules, as appropriate, shall not deliberately delay the reporting of an executed trade to a Client.
- 3.1.3 It shall be a breach of the Trading Rules for a Member to represent to a Client that it has entered an order or executed a trade in the Exchange Trading Platform otherwise than in accordance with the Trading Rules.

3.2 Entry of Client Orders

- 3.2.1 A person with access to the Market, Member or Person subject to the Trading Rules, as appropriate, shall not inform a Client that it/he has entered any order or executed any trade, or guarantee the entry of an order or the execution of any trade, or any of its terms such as quantity or price, unless it/he has already entered the order or executed the trade as the case may be in the Market.

3.3 Pre-Arranged Trades

3.3.1 It shall be an offence for a Member or Person subject to the Trading Rules, as appropriate, to pre-arrange a trade unless it is a Block Trade or an EFRP organised and posted in accordance with Trading Rules 810 and 811, and Sections 6 and 7 of these Trading Procedures.

3.4 Abuse of Client Orders

3.4.1 A Member must not take advantage of a Client's order for its own benefit, the benefit of another Member or the benefit of a Member's Trader.

4 ORDERS

4.1 Documentation of Orders

4.1.1 A Member is responsible for ensuring that an order received from a Client for submission (including an order for a Block Trade or an EFRP) during a trading session for a Contract on the Exchange Trading Platform (whether such order is received before or in the course of a trading session on the Exchange Trading Platform) is recorded on an order slip or entered into a Front End Application as soon as it is received. This shall also apply to cancellation of orders.

4.1.2 The time of receipt of all orders must be recorded electronically or on an order slip immediately upon receipt.

4.1.3 A Member must ensure that there is adequate audit trail of entry of orders to the Exchange Trading Platform via the Front End Application.

4.1.4 The written order slip or electronic record of an order must contain the following information:

- (i) identity code of the individual entering the order to the Exchange Trading Platform or the unique user ID under which it is entered;
- (ii) Client identification;
- (iii) direction of order (buy/sell);
- (iv) volume;
- (v) Contract;
- (vi) Contract Month;
- (vii) price;
- (viii) order type (e.g. market or limit);
- (ix) date of order receipt, order entry and every modification;
- (x) time of order receipt, order entry and every modification;
- (xi) Clearing Member identification;
- (xii) APEX Clear position account code;

- (xiii) Exchange order ID;
- (xiv) any special instructions (including whether the order is a Block Trade order or an EFRP order); and
- (xv) any other information as prescribed by the Exchange from time to time.

4.1.5 All time stamps must be recorded to the highest level of precision available in the Front End Application.

4.1.6 Pursuant to Trading Rule 403, Member shall retain records of the orders entered into the Exchange Trading Platform (order slip or electronic record), together with the relevant trade records for a reasonable period of time (not less than five years) after the date of the transaction.

4.1.7 Without prejudice to any obligation applicable to a Member under Applicable Law, Members shall ensure that any telephone lines used for the receipt or giving of orders is recorded and that all recordings are kept for a reasonable period of time (not less than six months), unless the Member can satisfy the Exchange that, given the nature and extent of its business conducted on the Exchange, compliance with these tape recording and storage obligations would be disproportionate and unduly burdensome.

4.1.8 In the case of Block Trades and EFRPs, a Member must record the time of agreement (verbal or otherwise) of the terms of the trade executed between the parties to the trade and the name of the person(s) who arranged the execution of the trade.

4.2 Types of Orders

4.2.1 There are two basic types of orders, namely a “**Limit Order**” and a “**Market Order**”.

4.2.2 A “**Limit Order**” is an order where a price for bid or offer is specified. The following expiration types can be specified in respect of the “**Limit Order**”:

- (i) Fill or Kill – the entire order must be filled for the exact quantity specified, otherwise the entire order will be cancelled immediately.
- (ii) Fill and Kill – the order can be filled for as much quantity as possible up to the specified quantity, after which any remainder will be cancelled immediately.
- (iii) Good for Day – the order remains good until the end of the same Trading Day. If the entire order has not been matched or cancelled by the end of the same Trading Day, that portion of the order which remains open will be automatically cancelled by the Exchange Trading Platform.

4.2.3 A “**Market Order**” is an order where a price for bid or offer is not specified. The “**Market Order**” will be executed at the best market price available. A “**Market Order**” will only be matched against a “**Limit Order**” available in the Exchange Trading Platform.

4.3 Input and Cancellation of Orders

- 4.3.1 All orders shall be entered into the Exchange Trading Platform via a Front End Application in accordance with the Trading Rules, Trading Procedures and any other user guide of the approved Front End Application used by the Member.
- 4.3.2 Orders entered into the Exchange Trading Platform may only be cancelled prior to the execution of the same in accordance with the Trading Rules, Trading Procedures and any other user guide of the approved Front End Application used by the Member.
- 4.3.3 Orders entered into the Exchange Trading Platform will be held in a queue for execution in price and time priority in accordance with Trading Procedure 4.6.
- 4.3.4 Member's Traders who have entered orders into the Exchange Trading Platform shall promptly advise the Exchange in the event that information relating to such orders or any trades resulting from the execution of any such order is not displayed or is displayed erroneously.
- 4.3.5 Where a Member is experiencing technical difficulties in accessing the Exchange Trading Platform, at the relevant Member's request, the Exchange may, on a best effort basis and at the Exchange's absolute discretion, cancel the orders in the central orderbook held in the Exchange Trading Platform.

4.4 Validity of Orders

- 4.4.1 Subject to an order satisfying the pre-controls imposed by the Exchange for the Contract, an order entered into the Exchange Trading Platform will only be valid if:
- (i) it is entered under an approved Seat ID issued by the Exchange and authorised to conduct business on the Exchange Trading Platform; and
 - (ii) the order is accepted on the Exchange in full in accordance with these Trading Procedures (in the event of acceptance of part of an order, the size of the order will be correspondingly reduced).
- 4.4.2 Subject to Trading Procedure 4.4.1, an order entered into the Exchange Trading Platform will remain valid until any of the following events occur:
- (i) the order is cancelled by the Member or Client (order routing) in accordance with Trading Procedure 4.3.2;
 - (ii) the order is cancelled as a result of a condition attached to the order in accordance with the Trading Rules and Trading Procedures; or
 - (iii) the order is cancelled by the Exchange under Trading Procedure 5.2 or 5.3.

4.5 Priority of Orders

- 4.5.1 Any person with access to the Market, including a Member, must at all times place his Clients' interests above his own and act fairly between his Clients, subject to Trading Rule 406.

4.6 Order Ranking and Matching

- 4.6.1 Ranking of orders is conducted utilising the price/time priority methodology. Prioritizing takes place based firstly upon the best price (i.e. highest bid and lowest offer) and secondly by the time the order is received in the Exchange Trading Platform.
- 4.6.2 When an order is entered into the Exchange Trading Platform, the Exchange Trading Platform will:
- (i) match such order to the greatest extent possible with active Limit Orders in the central orderbook which reflects the best price and has been entered the earliest (highest time priority); and
 - (ii) continue with the Limit Orders in the central orderbook which has the next highest priority and so on.

5 TRADES

5.1 Execution and Documentation of Trades

- 5.1.1 Every trade shall be matched on the Exchange Trading Platform in accordance with the Trading Rules, these Trading Procedures, any applicable Regulatory Notices and any direction, or other procedure issued or implemented by the Exchange from time to time.
- 5.1.2 A trade is matched in the Exchange Trading Platform when the following occurs:
- (i) one order is a bid and the other an offer;
 - (ii) the two orders are for the same Contract and Contract Date;
 - (iii) the two orders are either both Limit Orders, or a Market Order and an existing Limit Order in the central orderbook; and
 - (iv) the price of the bid (offer) order equals or is greater (lesser) than the price of the offer (bid).
- 5.1.3 When a trade is matched, the resulting price for the trade is determined based on the considerations below:
- (i) the previous trade price (V_{Last});
 - (ii) the best bid price (V_{Bid}); and
 - (iii) the best offer price (V_{Offer}).

The trade price will be the median price among the three prices, to be precise:

- (i) If $V_{Last} \leq V_{Offer} \leq V_{Bid}$, then trade price is V_{Offer}
 - (ii) If $V_{Offer} \leq V_{Last} \leq V_{Bid}$, then trade price is V_{Last}
 - (iii) If $V_{Offer} \leq V_{Bid} \leq V_{Last}$, then trade price is V_{Bid}
- 5.1.4 Details of each trade matched on the Exchange Trading Platform by a Member will be recorded by the Exchange. The confirmation of the trade will be displayed on the Front End Application used by each Member party to the trade and such trade shall be transmitted to the APEX Clear System.

- 5.1.5 Similarly, a Member must also ensure details of every trade matched on the Exchange Trading Platform are documented internally in their records. The trade records must contain, at a minimum, the information set out in Trading Procedure 4.1.4 and the corresponding Exchange trade ID assigned by the Exchange upon matching of such trade.
- 5.1.6 In the event that the Exchange Trading Platform or any part of the server fails, the Exchange's determination that a trade has or has not been matched on the Exchange Trading Platform shall be conclusive and binding. Such determination shall be made by the Exchange. This is without prejudice to the right of the Clearing House to treat a Contract as void or voided or take other actions pursuant to the Clearing House Rules.

5.2 Validity of Trades

- 5.2.1 Once a bid or offer has been matched in whole or in part and gives rise to a trade, the Exchange will deem the trade as valid and there is no right of withdrawal by any Member.
- 5.2.2 However, the Exchange may declare a trade invalid during a trading session in the circumstances set out below:
- (i) where the Exchange determines that a trade has taken place at a price which is not reflective or representative of the then prevailing market conditions;
 - (ii) where the Exchange determines that a trade has been made in breach of the Trading Rules, these Trading Procedures or any direction or other procedure issued or implemented by the Exchange from time to time; and/or
 - (iii) where the trade has been rejected by the Clearing House.
- 5.2.3 The Exchange may take into account the below criteria when determining whether a trade should be invalidated under Trading Procedure 5.2.2(i) above:
- (i) price movement in other Contract Months of the same Contract;
 - (ii) the then prevailing market conditions;
 - (iii) the time period between different quoted and traded prices;
 - (iv) information regarding price movement in related Contracts, the release of relevant news just before or during a trading session;
 - (v) manifest error; and
 - (vi) proximity of the trade to the close of the trading session.
- 5.2.4 An invalid trade will be cancelled in the APEX Clear System and the price on such trade will not be used in the determination of the settlement price for the respective Contract.
- 5.2.5 When a trade is declared as invalid by the Exchange and is cancelled from the APEX Clear System, the parties to the trade will be notified by the Exchange of that fact and a message will also be broadcast to all Market Participants announcing the Contract, Contract Date and price level of the invalid trade and the parties shall treat the trade as void.

5.3 Cancellation of Trades

- 5.3.1 Once a trade is matched, the trade is deemed as good and executed and the Exchange will not facilitate any trade cancellation in accordance with Trading Rule 809 and Trading Procedure 5.4.
- 5.3.2 However, the Exchange may, on the suspension of a Contract from trading on the Market under the Trading Rules, cancel or amend any executed trades for such Contract, which were made on the Exchange Trading Platform. The Exchange may, in the event a Member is unable to perform its ongoing obligations under the Trading Rules, cancel any order for a Contract entered into the Exchange Trading Platform which is awaiting execution or cancel any executed trade in respect of a Contract made on the Exchange Trading Platform. The Clearing House may take similar action under the Clearing House Rules in respect of any affected Contract.
- 5.3.3 The Exchange has the authority to cancel or amend any executed trades when such action is necessary to mitigate market disrupting events caused by the improper or erroneous use of the Exchange Trading Platform, system defects or on the suspension of a Contract from trading on the market. All decisions of the Exchange will be final.

5.4 Error Trades

- 5.4.1 Trading Procedure 5.4 will only apply to trades executed on the Exchange's central orderbook. Block trades or EFRPs reported to the Exchange will not be subjected to this Trading Procedure 5.4 and may be cancelled by the entering Member or by the Exchange upon mutual agreement of and per the instructions of the two counterparties.
- 5.4.2 Where there has been an error in the execution of a Client order by a Member, it is the responsibility of the Member to resolve the error with its Client in accordance with Trading Rule 809.

In addition, where the Member is required to transfer the error trade into their proprietary account, the Member shall provide the following supporting information to the Exchange's Operations department for review:

- (i) error trade reference;
 - (ii) type of error (e.g. price error, quantity error, etc.);
 - (iii) correct trade details;
 - (iv) proof of original instructions from the Client (e.g. time-stamped order slip); and
 - (v) replacement trade reference, if any.
- 5.4.3 All transfers of error trades must be completed within the same Trading Day on which the respective error trade occurred. Delay of transfer will be treated as not in compliance with Trading Rule 809 and may result in the Exchange taking disciplinary actions.

5.4.4 Successful transfer of error trades by a Member does not preclude the Exchange from initiating disciplinary proceedings should the trade be subsequently found to have been executed in a manner that is not in compliance with the Trading Rules, Trading Procedures and/or Regulatory Notices.

6 BLOCK TRADES

6.1 General

6.1.1 Registration of Block Trades may take place only during the Trading Hours and Trading Days of eligible Contracts, as prescribed by the Exchange in the Contract Terms, and in accordance with Trading Rule 810.

6.1.2 Block Trades may be arranged only for the Contracts designated by the Exchange, as prescribed in the Contract Terms published on the Exchange's website.

6.1.3 Block trades shall be arranged and reported in accordance with Trading Rule 810 and these Trading Procedures and when price, volume and aggregation rules are met.

6.2 Block Trade Facility

6.2.1 Application for access to the APEX Block Trade and EFRP Facility should be submitted by a Member's Representative to the Exchange through the APEX Member and Customer Management System.

6.3 Reporting of Block Trades

6.3.1 All Block Trades must be reported to the Exchange through the APEX Block Trade and EFRP Facility by the relevant Member and Clearing Member (as specified in Trading Procedures 6.3.2).

6.3.2 Where:

- (i) both parties to the Block Trade are trading through the same Member, the Member shall report the Block Trade details for both parties into the APEX Block Trade and EFRP Facility. Subsequently, the respective Clearing Member(s) shall confirm acceptance of the Block Trade in the APEX Block Trade and EFRP Facility;
- (ii) both parties to the Block Trade are trading through different Members, only the Seller's Member shall submit the Block Trade details into the APEX Block Trade and EFRP Facility, unless agreed otherwise between the two Members. The Buyer's Member will need to confirm the Block Trade in the APEX Block Trade and EFRP Facility within the time period prescribed by the Exchange. Subsequently, the respective Clearing Member(s) of the Members shall confirm acceptance of the Block Trade in the APEX Block Trade and EFRP Facility;

- (iii) both parties to the Block Trade are trading and clearing through the same Member (who is also a Clearing Member), the Member shall report the Block Trade details for both parties into the APEX Block Trade and EFRP Facility, and shall (as Clearing Member) confirm acceptance of the same in the APEX Block Trade and EFRP Facility; and
- (iv) the parties of a Block Trade are trading and clearing the trade through different Members (who are also Clearing Members), only the Seller's Member needs to report the Block Trade details into the APEX Block Trade and EFRP Facility, unless agreed otherwise between the two Members. The Buyer's Member (as Clearing Member) will need to confirm the Block Trade in the APEX Block Trade and EFRP Facility,

all in accordance with the relevant timeline specified in Trading Procedure 6.3.3.

- 6.3.3 All Block Trades must be reported to the Exchange within 15 minutes post conclusion of trade negotiation, and accepted/confirmed within 30 minutes post reporting or any other time period prescribed by the Exchange.
- 6.3.4 Failure to meet the reporting timelines set out in Trading Procedure 6.3.3 will constitute a breach of the Trading Rules.
- 6.3.5 For the purpose of Trading Procedure 6.3.3, trade negotiation is concluded when agreement (verbal or otherwise) on the terms of the Block Trade is reached between the parties to the Block Trade.
- 6.3.6 All Block Trades are subject to the approval and acceptance by the Exchange and Clearing House. The Exchange and/or Clearing House may check the Block Trade details reported to the APEX Block Trade and EFRP Facility and, if the Exchange or Clearing House is not satisfied that all such details are valid, it may, in its absolute discretion, void the Block Trade. A decision by the Exchange or Clearing House to void a Block Trade is final.

In the event a Block Trade is voided by the Exchange and/or Clearing House, the parties to the Block Trade will be notified before the end of the trading session.

- 6.3.7 The Block Trade price and volume of a Contract will be broadcast to the Market at the end of the Trading Day for such Contract.
- 6.3.8 In exceptional scenarios, Members may report the Block Trade details to the Exchange's Operations department and request for the Exchange to input and report the Block Trade on their behalf. All trade details, Client instructions and documentary evidence will need to be submitted to the Exchange in writing by Members of both parties of the Block Trade. The Exchange may, in its absolute discretion, reject any such aforementioned requests.

6.4 Modification and Cancellation of Block Trades

- 6.4.1 A Member or its Clearing Member may modify or cancel Block Trades reported to the Exchange only in accordance with this Trading Procedure 6.4.
- 6.4.2 A Member or its Clearing Member who wishes to modify or cancel a Block Trade may do so in the APEX Block Trade and EFRP Facility, provided the trade has not been reported into the APEX Clear System and accepted by the Clearing House.
- 6.4.3 In the event that the Block Trade has been accepted by the Clearing House, a Member who wishes to modify a Block Trade may only do so by reporting an offsetting trade and a new trade with the corrected details via the APEX Block Trade and EFRP Facility.
- 6.4.4 In the event that the Block Trade has been accepted by the Clearing House, a Member who wishes to cancel a Block Trade may only do so by reporting an offsetting trade via the APEX Block Trade and EFRP Facility to offset the incorrect trade.
- 6.4.5 All relevant information and documents relating to the modification and/or cancellation of a Block Trade must also be submitted to the Exchange for review and approval. If the Exchange is not satisfied that all such details are valid, it may, in its absolute discretion, reject the modification and/or cancellation. A decision by the Exchange to reject the modification and/or cancellation is final.

6.5 Authority of Exchange

- 6.5.1 Recording or acceptance by the Exchange of a Block Trade does not preclude the Exchange from initiating disciplinary procedures in the event that the Block Trade is subsequently found to have been made other than in compliance with the Trading Rules and/or these Trading Procedures, nor does it preclude the Clearing House from voiding or taking other action in relation to a Block Trade.

7 EXCHANGE OF FUTURES FOR RELATED POSITION (EFRP)

7.1 General

- 7.1.1 Registration of EFRP may take place only during the Trading Hours and Trading Days of the eligible Contracts, as prescribed by the Exchange in the Contract Terms, and in accordance with Trading Rule 811.
- 7.1.2 EFRP may only be arranged for the Contracts designated by the Exchange, as prescribed in the Contract Terms published on the Exchange's website.
- 7.1.3 Any Member is permitted to arrange EFRPs, subject only to the Member having in place arrangements for the execution of the EFRP and the right to trade the Contract leg of the EFRP.

7.2 EFRP Facility

7.2.1 Application for access to the APEX Block Trade and EFRP Facility should be submitted by a Member's Representative to the Exchange through the APEX Member and Customer Management System.

7.3 Reporting of EFRP

7.3.1 All EFRP must be reported to the Exchange through the APEX Block Trade and EFRP Facility by the relevant Member and its Clearing Member (as specified in Trading Procedures 7.3.2).

7.3.2 Where:

- (i) both parties to the EFRP are trading through the same Member, the Member shall report the EFRP details for both parties into the APEX Block Trade and EFRP Facility. Subsequently, the respective Clearing Member(s) shall confirm acceptance of the EFRP in the APEX Block Trade and EFRP Facility;
- (ii) both parties to the EFRP are trading through different Members, only the Seller's Member of the Contract leg shall report the EFRP details into the APEX Block Trade and EFRP Facility, unless agreed otherwise between the two Members. The Buyer's Member of the Contract leg shall confirm the EFRP in the APEX Block Trade and EFRP Facility within the time period prescribed by the Exchange. Subsequently, the respective Clearing Member(s) of the Members shall confirm acceptance of the EFRP in the APEX Block Trade and EFRP Facility;
- (iii) both parties to the EFRP are trading and clearing through the same Member (who is a Clearing Member), the Member shall report the EFRP details for both parties into the APEX Block Trade and EFRP Facility, and shall (as Clearing Member) confirm acceptance of the same in the APEX Block Trade and EFRP Facility; and
- (iv) the parties of an EFRP are trading and clearing the trade through different Members (who are also Clearing Members), only the Seller's Member of the Contract leg shall report the EFRP details into the APEX Block Trade and EFRP Facility, unless agreed otherwise between the two Members. The Buyer's Member of the Contract leg shall confirm the EFRP in the APEX Block Trade and EFRP Facility,

all in accordance with the relevant timeline specified in Trading Procedure 7.3.3.

7.3.3 Details of an EFRP transaction must be reported to the Exchange within 15 minutes post conclusion of trade negotiation and accepted/confirmed within the 30 minutes post reporting or any other time period prescribed by the Exchange.

7.3.4 Failure to meet the reporting timelines set out in Trading Procedure 7.3.3 will constitute a breach of the Trading Rules.

7.3.5 For the purpose of Trading Procedure 7.3.3, trade negotiation is concluded when agreement (verbal or otherwise) on the terms of the EFRP is reached between the parties to the EFRP.

7.3.6 When a Member accepts an EFRP order, he must record and report the order details set out below:

- (i) date and time of order receipt; and
- (ii) identity of individual organising the EFRP.

The following details must also be reported by the Seller of the Contract leg according to the type of EFRP:

- (i) Contract in respect of which the EFRP is being transacted;
- (ii) Contract Month(s);
- (iii) agreed future price(s);
- (iv) number of lots of each Contract;
- (v) counterparty Member ID;
- (vi) all documentary evidence of the related position(s); and
- (vii) any other information as prescribed by the Exchange from time to time.

All information must be retained by the Member for a period not less than five years, and in an easily accessible form that can be audited by the Exchange.

7.3.7 All EFRP are subject to the approval and acceptance by the Exchange and Clearing House. The Exchange and/or Clearing House will check the EFRP details reported to the APEX Block Trade and EFRP Facility and, if the Exchange or the Clearing House is not satisfied that all such details are valid, it may, in its absolute discretion, void the EFRP. A decision by the Exchange or Clearing House to void an EFRP is final.

In the event an EFRP is voided by the Exchange and/or Clearing House, the parties to the EFRP will be notified before the end of the trading session.

7.3.8 In exceptional scenarios, Members may report the EFRP details to the Exchange's Operations department and request for the Exchange to input and report the EFRP on their behalf. All trade details, Client instructions and documentary evidence will need to be submitted to the Exchange in writing by the EFRP-executing Member. The Exchange may, in its absolute discretion, reject any such aforementioned requests.

7.3.9 The following information with respect to the respective Contract leg (referred to in Trading Procedure 7.3.2) will be broadcast to the Market at the end of the Trading Day:

- (i) Contract(s) and Contract Month(s); and
- (ii) volume of such Contract traded.

7.4 Modification and Cancellation of EFRP

7.4.1 A Member or its Clearing Member may modify or cancel EFRP reported to the Exchange in accordance with this Trading Procedure 7.4.

- 7.4.2 A Member or its Clearing Member who wishes to modify or cancel an EFRP may do so in the APEX Block Trade and EFRP Facility, provided the trade has not been reported into the APEX Clear System and accepted by the Clearing House.
- 7.4.3 In the event that the EFRP has been accepted by the Clearing House, a Member who wishes to modify an EFRP may only do so by reporting an offsetting trade and a new trade with the corrected details via the APEX Block Trade and EFRP Facility.
- 7.4.4 In the event that the EFRP has been accepted by the Clearing House, a Member who wishes to cancel an EFRP may only do so by reporting an offsetting trade via the APEX Block Trade and EFRP Facility to offset the incorrect trade.
- 7.4.5 All relevant information and documents relating to the modification and/or cancellation of an EFRP must also be submitted to the Exchange for review and approval. If the Exchange is not satisfied that all such details are valid, it may, in its absolute discretion, reject the modification and/or cancellation. A decision by the Exchange to reject the modification and/or cancellation is final.

7.5 Authority of Exchange

- 7.5.1 Recording or acceptance by the Exchange of an EFRP does not preclude the Exchange from initiating disciplinary procedures in the event that the EFRP is subsequently found to have been made other than in compliance with the Trading Rules, nor does it preclude the Clearing House from voiding or taking other action in relation to an EFRP.

8 MEMBER'S REPORTING REQUIREMENTS

8.1 Daily Reporting Requirements

- 8.1.1 Each Member shall submit the following reports to the Exchange's Operations department on each Trading Day as prescribed below:
- (i) **Open Position Report** – This report shall include the Open Positions in all position accounts maintained by the Member. The Open Positions should be detailed at sub-account levels for all Omnibus Accounts. The Open Position Report shall be in the format prescribed by the Exchange and submitted to the Exchange's Operations department on each Trading Day before 10:00hr Singapore time.
 - (ii) **Large Positions Report** – Each Member shall submit to the Exchange a daily report of all Open Positions held by a person and/or in a position account of reportable status and the identity of the owner(s) of each such Open Positions. An Open Position is of reportable status if the Open Position is at or above the Reportable Levels prescribed by the Exchange. The Large Positions Report

shall be in the format prescribed by the Exchange and submitted to the Exchange's Operations department on each Trading Day before 10:00hr Singapore time. In addition to identifying each Open Position and the owner(s) thereof, the relevant Member shall accurately identify the controllers, controlled accounts and trading strategies of the relevant position account within three (3) Business Days from the first day that such Open Position in question becomes reportable.

- (iii) **Position Accountability Report** – Each Member shall submit to the Exchange a report of Open Positions held by a person and/or in a position account at or above the Accountability Levels prescribed by the Exchange. The Position Accountability Report shall be in the format prescribed by the Exchange and submitted to the Exchange's Operations department on each Trading Day before 10:00hr Singapore time. In addition to the inclusion of the same type of details as required in Trading Procedure 8.1.1(ii) above, each Member shall also accurately identify for each such position account, the nature of the owner's related cash and futures positions, purpose of exposure and the owner's assets and liabilities in the underlying market, within three (3) Business Days from the first day that the positions held by the person and/or in the position account in question are at or above the Accountability Levels.

8.1.2 Members must submit the above reports and information on the ultimate ownership and control of positions within any Omnibus Account and any other information described in this Trading Procedure 8.1. Members may choose to submit such reports and information through their carrying Clearing Members or directly to the Exchange.

8.1.3 All Reportable Levels and Accountability Levels will be published on the Exchange's website.

9 FINANCIAL AND CAPITAL REPORTING AND OTHER NOTIFICATION REQUIREMENTS

9.1 General

9.1.1 Each Member shall submit to the Exchange its quarterly financial returns, in the format prescribed by the Exchange from time to time, within fourteen (14) calendar days after the end of the calendar quarter to which such returns relate. Such returns shall include a quarterly statement of: (a) the Net Head Office Funds, Base Capital, or net capital, as applicable, of the Member; and (b) the Adjusted Net Head Office Funds or Financial Resources, and Total Risk Requirement, as applicable, of the Member. For the purpose of this Trading Procedure 9.1.1, Members who are CMS Licence holders shall comply with the prescribed formats under the Financial and Margin Regulations.

9.1.2 Each Member shall submit to the Exchange its annual audited accounts and financial returns in the format prescribed by the Exchange from time to time, within five (5)

months after the end of the Member's financial year. Such submission shall include annual audited accounts, an auditor's report and certification in accordance with Trading Procedure 9.1.3, and an auditor's report on the sufficiency of internal control measures. For the purpose of this Trading Procedure, Members who are CMS Licence holders shall comply with the prescribed formats under the Financial and Margin Regulations.

- 9.1.3 The auditor's report and certification referred to in Trading Procedure 9.1.2 must include an opinion from the auditor that:
- (i) the Member has complied with the applicable minimum capital and financial requirements set out in the Trading Rules and, where applicable, the SFA;
 - (ii) the Member's books of accounts and records conform to good industry practice and are kept in a proper manner in accordance with the Trading Rules and, where applicable, the SFA;
 - (iii) the auditor has obtained all the necessary information and explanations for the proper conduct of the audit and to enable it to furnish the certificate; and
 - (iv) the financial position of the Member is such as to enable it to conduct its business on sound grounds, having regard to the nature and volume of the business transacted during its past financial year as shown by its accounts and records.
- 9.1.4 Each Member shall submit a pictorial representation of its shareholding structure to the Exchange, showing any changes from the last pictorial representation submitted to the Exchange, within five (5) months after the end of the Member's financial year.
- 9.1.5 A Member shall notify the Exchange in writing without delay providing full particulars known to it of any change in:
- (i) its legal name, legal status or incorporation or registration number;
 - (ii) its regulatory status or authorisation (pursuant to Trading Rule 303(a)(3));
 - (iii) its address (registered address, mailing or operations address or address for service in Singapore);
 - (iv) its contact details of Member (telephone number, fax number or website);
 - (v) the contact details of its key personnel, emergency contacts, authorised signatories, Member's Traders, Member Representatives, including directors and chief executive officer and any change in the identity of any of the aforementioned persons;
 - (vi) its email address for the delivery of Exchange communication, including Circulars;
 - (vii) the Clients on the account of which the Member trades or otherwise provides access to the Market;
 - (viii) its constitutional documents (e.g. articles of association or by-laws);
 - (ix) the corporate authority, any power of attorney or appointment of any agent relevant to the Member entering into and performing its obligations as a Member; and
 - (x) its membership in any other exchanges or clearing houses, including any rejection from application, suspension, expulsion or disciplinary proceedings from any of the same.

9.1.6 A Member must notify the Exchange immediately of any event, system related issue or anything else that would prevent it from operating timely and accurately on the Market.