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News Release

30 March 2015

SGX consults public on introduction of Position Accounts for CDP Clearing Members

Singapore Exchange (SGX) is consulting the public on the proposed introduction of Position Accounts for Clearing Members of the Central Depository (CDP) as an operational step to further improve the post-trade environment of the Singapore securities market.

In this first step, individual Clearing Members will have the choice of back-office system to manage their own post-trade activities instead of subscribing to the Client Accounting System offered by SGX. From late-2015, Foreign Clearing Members who already have an in-house system they use globally will be able to connect to CDP directly for their post trade activities while local Members will have the flexibility to customise features and services for their customers using their new systems.

When Clearing Members have moved to using their own back-office systems, the Client Accounting System will be discontinued. The Position Account SGX is introducing replaces the account structure in the Client Accounting System for clearing and settlement with CDP.

Clearing Members will be responsible for the accuracy and timeliness of the information captured in Position Accounts. Clearing Members may share these responsibilities with Trading Members whose trades they guarantee to CDP.

Obligations of Clearing Members over the trades for which they are responsible will be unchanged. The safety and soundness of CDP's clearing and settlement services will also remain unchanged. Investors will not be affected by the introduction of Position Accounts as the process of clearing and settlement of trades, from their perspective, will be unchanged.

SGX seeks views and comments on the following:

- Structure of Position Account in relation to obligations of Clearing and Trading Members
- Proposed amendments to the SGX-Securities Trading Rules and CDP Clearing Rules in relation to Position Accounts and contract notes.

Trading and Clearing Members should carefully consider the Position Account structure proposed and the processes that will be necessary to maintain these accounts and provide views that can help achieve a practical, well-working framework appropriate for the market.

Today's public consultation is open till 13 April 2015 and is available at www.sgx.com.

Responses can be sent to:

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Attention: Regulatory Development & Policy

About Singapore Exchange (SGX)

Singapore Exchange (SGX) is the Asian Gateway, connecting investors in search of Asian growth to corporate issuers in search of global capital. SGX represents the premier access point for managing Asian capital and investment exposure, and is Asia's most international exchange with more than 40% of companies listed on SGX originating outside of Singapore. SGX offers its clients the world's biggest offshore market for Asian equity futures, centred on Asia's three largest economies – China, India and Japan.

In addition to offering a fully integrated value chain from trading and clearing, to settlement and depository services, SGX is also Asia's pioneering central clearing house. Headquartered in Asia's most globalised city, and centred within the AAA strength and stability of Singapore's island nation, SGX is a leading Asian counterparty for the clearing of financial and commodity products.

For more information, please visit www.sgx.com

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