
March 18, 2021

VIA EMAIL

Ontario Securities Commission
22 Queen Street West
22nd Floor
Toronto, ON M5H 3S8
Attention: Timothy Baikie, Alex Petro and Youssef Sekal

Dear Sirs/Mesdames:

RE: Application by Refinitiv Transaction Services Pte. Ltd. (RTSPL or the Applicant) for Exemption from Recognition as an Exchange

We are filing this application with the Ontario Securities Commission (**OSC** or the **Commission**) for an order under Section 147 of the *Securities Act* (Ontario) (the **Act**) exempting the Refinitiv FXall Quicktrade RFQ facility (**QuickTrade**) and the Refinitiv FXall Pricestream facility (**Pricestream** and, together with QuickTrade, the **Platform**) from the requirement to be recognized as an exchange under Section 21(1) of the Act (the **Requested Relief**).

OSC Staff has prescribed criteria in OSC Staff Notice 21-702 *Regulatory Approach for Foreign Based Stock Exchanges*, as updated (**Staff Notice 21-702**) in relation to applications by foreign exchanges for an exemption from the exchange recognition requirement. These criteria are set out in Schedule A to the attached draft order.

Capitalized terms that appear in this application but are not defined in the body of this application have the meanings ascribed to them in the RTSPL Operational Procedures (the **Rules**), which are provided to Participants (as defined below) upon signing up to access the Platform.

For convenience, this application is divided into the following Parts:

Part I Background

Part II Application of Approval Criteria to the Platform

1. Regulation of the Applicant
2. Governance
3. Regulation of Products
4. Access
5. Regulation of Participants on the Platform
6. Rulemaking
7. Due Process
8. Clearing and Settlement
9. Systems and Technology
10. Financial Viability
11. Trading Practices
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Part III Submissions

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Part I Background

Regulatory Overview

- 1 QuickTrade is a “request for quote” (**RFQ**) platform operated by Refinitiv’s Singapore entity, RTSPL. QuickTrade’s RFQ functionality enables participants (**Participants**) to request quotes and orders from other Participants for a variety of over-the-counter foreign exchange and precious metals instruments.
- 2 The Applicant also proposes to add Pricestream to the Platform. Pricestream is a “request for stream” (**RFS**) feature. This feature was formerly commercially known as Bank Stream. Pricestream will operate on essentially the same basis as QuickTrade, with the key difference being that a continuous quote “stream” is provided to a Participant over the course of a period of time (typically one trading day) whereas QuickTrade (as an RFQ venue) is a one-off trading process. See paragraph 27 below for additional details on Pricestream.
- 3 Established in 2003, QuickTrade has become one of the world’s most active foreign exchange trading platforms. QuickTrade has thousands of total users with trading volumes in the trillions of dollars annually.
- 4 Until June 5, 2020, RTSPL was approved by the Monetary Authority of Singapore (**MAS**) as a financial institution carrying on the business of money broking in Singapore, pursuant to section 28 of the Monetary Authority of Singapore Act (the **MAS Act**).
- 5 As a money broker in Singapore, RTSPL was limited to providing broking technology services and could not act as principal or take positions in foreign exchange or money markets. Money brokers can only deal with banks and financial institutions approved by MAS to have direct access to money brokers in Singapore and corporate customers who fall within the definition of accredited, expert, and institutional investors as defined in Singapore securities legislation.
- 6 As a money broker in Singapore, RTSPL was relatively lightly regulated and was not subjected to the range of mandatory regulatory requirements that would be typical for an exchange or a market operator.
- 7 However, because MAS decided to require money brokers to apply for recognition as recognized market operators (each, an **RMO**), the Applicant applied for recognition as an RMO in Singapore (the **RMO Application**) on December 12, 2018. The Applicant received recognition as an RMO effective June 5, 2020.
- 8 In Singapore, RMOs are regulated under Part II, Division 3 of the Securities and Futures Act (the **SFA**) and the Securities and Futures (Organised Markets) Regulations (2018) (the **SFA Regulations**). In October of 2018, the regulatory regime was revised to impose new requirements on RMOs. These include a number of new requirements that introduce obligations more akin to those previously applicable only to Approved Exchanges (as defined in the SFA) in Singapore, including requirements that RMOs manage risks prudently and maintain user confidentiality.
- 9 In May of 2018, MAS issued a consultation paper (the **Consultation Paper**) proposing changes to the regulatory regime for exchanges and RMOs, with a view to improving market operators’ business flexibility when establishing new centralized trading facilities and speed to market when launching new products.
- 10 The Consultation Paper proposes a three-tiered regulatory regime for RMOs. Tier 2 status is designated for market operators that qualify under the current RMO regime.

- 11 The MAS adopted a new regime for RMOs in 2019.
- 12 The Applicant is regulated as a Tier 2 RMO. Tier 2 RMOs are governed by rules and regulations that are substantially the same as those that have been in place for RMOs under the SFA.

Ownership and corporate structure

- 13 As noted above, both QuickTrade and Pricestream are currently offered by RTSPL, a private limited company established in 2017 and registered in Singapore. For clarity, RTSPL as a company was established on May 22, 1999 (Singapore Unique Entity Number 199902761W, formerly known as Qingniao.net Holdings Pte Ltd) but operated as a holding company until June 16, 2017, when its name was changed to Thomson Reuters Transaction Services Pte Ltd. (**TRTS**). TRTS was then used to apply for the money broker approval and obtained approval from the MAS to operate as a money broker on July 21, 2017 and commenced operations on January 1, 2018 (with clients able to trade on the Platform as of that day). Effective June 5, 2020, the MAS withdrew RTSPL's approval as a money broker and recognized RTSPL as a RMO.
- 14 On October 1, 2018, Blackstone Group L.P. and affiliates (**Blackstone**) completed their acquisition of a 55% stake in the financial and risk division of Thomson Reuters Corporation (**Thomson Reuters**). As a result of this acquisition, RTSPL became a wholly-owned subsidiary of a holding company indirectly owned 45% by Thomson Reuters and 55% by Blackstone. The financial and risk business was renamed Refinitiv.
- 15 As part of rebranding across the wider Refinitiv Group in light of the Blackstone—Thomson Reuters transaction, RTSPL assumed its present name on March 29, 2019, when TRTS changed its name to RTSPL. RTSPL informed clients of this change on February 11, 2019, and began billing clients under the RTSPL name on April 1, 2019. Apart from this rebranding, the Blackstone—Thomson Reuters transaction did not affect the continued operation of the Platform.
- 16 On August 1, 2019, London Stock Exchange Group plc (**LSEG**) announced that it had agreed on definitive terms with Blackstone and Thomson Reuters to acquire the shares of Refinitiv Parent Limited, the ultimate parent company of RTSPL. On January 29, 2021, the acquisition of Refinitiv Parent Limited by LSEG was completed.
- 17 The completion of the LSEG transaction is not expected to affect the operations of the Platform as they are described in this Application.
- 18 It is important to note that RTSPL itself has no employees. RTSPL is overseen by its directors. The employees who work to maintain and operate the platforms offered through RTSPL are employees of other companies within the Refinitiv Group.

RFQ products traded and procedure for trading on QuickTrade

- 19 QuickTrade is offered as part of the Refinitiv FXall platform (**FXall**). On QuickTrade, RTSPL only provides the software and infrastructure to facilitate transactions in FX products between Participants. It does not act as a counterparty to any such transactions, nor does it play any part in deciding which Participants transact with each other or in determining the price at which Participants agree to transact. RTSPL does not hold customer money or customer assets.
- 20 In addition, any clearing and settlement is performed outside of the environment of QuickTrade. QuickTrade facilitates transactions in foreign exchange instruments between what are referred to on QuickTrade as Takers and Makers. These transactions occur on a bilateral basis and are based on existing credit relationships formed outside of RTSPL or QuickTrade.

- 21 Thus, institutional liquidity providers or Makers, who are typically banks but may also be other types of parties, can communicate quotes and match FX transactions directly with liquidity requesters or Takers, such as asset managers and corporations. Short-term price streaming by a Maker is also possible on QuickTrade under the RFQ trading feature. Only the Taker has visibility on the quotes provided pursuant to its request. Bids and offers may be agreed to and become binding on both parties to a transaction on QuickTrade, once affirmatively accepted by both parties.
- 22 QuickTrade allows a Taker to request quotes from multiple Makers and that Taker can then select any one of the Makers' quotes to execute a transaction. Order details are not widely known beyond the Taker, the RFQ Makers and only the selected Maker for the completed transaction. See Section 11.3 of this application for additional details on order details and reporting.
- 23 Orders are not received centrally and processed and executed like on a standard marketplace. Orders do not interact. There is no order book.
- 24 QuickTrade also provides an execution mechanism for Takers to seek quotes and enter into transactions with Makers. Takers have complete discretion at various points in the process to make "go-or-no-go" decisions. Makers have complete discretion on whether to provide a quote.
- 25 The foreign exchange instruments available for RFQ on QuickTrade and a description of each such instrument are as follows:

Product Traded	Description
FX Spot	FX Spot facilitates the immediate purchase or sale of currencies on the spot market.
FX Forwards	FX Forwards facilitate the purchase or sale of a certain amount of currency at a fixed exchange rate on a fixed future date.
FX Swaps	FX Swaps facilitate swap transactions in which parties swap principal and interest payments on a loan made in one currency for those made in another currency.
FX Non-deliverable Forwards	FX Non-deliverable Forwards facilitate cash-settled forward contracts in which the notional amount of the forward contract is never exchanged. The profit or loss on the forward is determined by the difference between the spot rate at the time of settlement and the rate in the forward contract.
FX Options	FX Options facilitate the purchase and sale of options which provide the holder with the right but not the obligation to exchange funds into a different currency at a set exchange rate on a specified date.
Precious Metals Spot	Precious Metals Spot facilitates the immediate purchase or sale of gold, silver, platinum and palladium (collectively, the Precious Metals) on the spot market.
Precious Metals Forwards	Precious Metals Forwards facilitate the purchase or sale of a certain amount of Precious Metals at a fixed exchange rate on a fixed future date.

Product Traded	Description
Precious Metals Swaps	Precious Metals Swaps facilitate swap transactions in which parties swap principal and interest payments on a loan made in one Precious Metal for those made in another currency.
Precious Metals Options	Precious Metals Options facilitate the purchase and sale of options which provide the holder with the right but not the obligation to exchange funds into a different Precious Metal or currency at a set exchange rate on a specified date.

26 However, the Applicant believes that none of these instruments constitutes a “commodity futures contract” as set forth in subsection 1(1) of the *Commodity Futures Act* (Ontario), as there are no “standardized terms and conditions” contained in the by-laws, rules or regulation of RTSPL, pursuant to which the instruments are traded.

RFS products traded and procedure for trading on Pricestream

27 In response to demand from some of its more active clients, the Applicant proposes to add Pricestream as a feature to the Platform. Pricestream permits a Participant to request multiple continuous quote streams at the same time from a number of Makers over the course of a period of time (typically a trading day). Each Maker is also a Participant and a Taker is required to have a trading relationship with a Maker in order to provide a stream to that Taker. A Maker will not be able to see the rates provided by other Makers.

28 The main difference between RFS on Pricestream and the existing RFQ functionality on QuickTrade is that the proposed Pricestream feature is a continuous stream of pricing rather than a series of individual quotes. Otherwise, Pricestream is similar to the existing RFQ functionality on Quicktrade.

29 Pricestream will be complementary to the existing offering of RFQ on QuickTrade. Pricestream will be administered by the Applicant rather than a separate corporate entity.

30 The foreign exchange instruments that are proposed to be available on Pricestream and a description of each such instrument are as follows:

Product Traded	Description
FX Spot	FX Spot facilitates the immediate purchase or sale of currencies on the spot market.
FX Forwards	FX Forwards facilitate the purchase or sale of a certain amount of currency at a fixed exchange rate on a fixed future date.
FX Swaps	FX Swaps facilitate swap transactions in which parties swap principal and interest payments on a loan made in one currency for those made in another currency.

Product Traded	Description
FX Non-deliverable Forwards	FX Non-deliverable Forwards facilitate cash-settled forward contracts in which the notional amount of the forward contract is never exchanged. The profit or loss on the forward is determined by the difference between the spot rate at the time of settlement and the rate in the forward contract.
FX Options	FX Options facilitate the purchase and sale of options which provide the holder with the right but not the obligation to exchange funds into a different currency at a set exchange rate on a specified date.
Precious Metals Spot	Precious Metals Spot facilitates the immediate purchase or sale of Precious Metals on the spot market.
Precious Metals Forwards	Precious Metals Forwards facilitate the purchase or sale of a certain amount of Precious Metals at a fixed exchange rate on a fixed future date.
Precious Metals Swaps	Precious Metals Swaps facilitate swap transactions in which parties swap principal and interest payments on a loan made in one Precious Metal for those made in another currency.
Precious Metals Options	Precious Metals Options facilitate the purchase and sale of options which provide the holder with the right but not the obligation to exchange funds into a different Precious Metal or currency at a set exchange rate on a specified date.

- 31 Currently, only FX Non-deliverable Forwards and FX Spot are available within Pricestream on the Platform. FX Spot, however, is executed on a separate platform which is not otherwise made available to Canadian participants. FX Spot transactions are settled by the delivery of currency within two business days. The Applicant expects to make the other foreign exchange instruments listed above available in the future.
- 32 However, the Applicant believes that none of these Pricestream instruments constitutes a “commodity futures contract” as set forth in subsection 1(1) of the *Commodity Futures Act* (Ontario), as there are no “standardized terms and conditions” contained in the by-laws, rules or regulation of RTSPL, pursuant to which the instruments are traded.
- 33 The Applicant has also provided notice of the Pricestream feature to MAS. MAS has taken the view that Pricestream is effectively subject to regulatory oversight by MAS as it facilitates trades in products for which the Applicant has received approval from MAS to make available on the Platform.
- 34 Since QuickTrade and Pricestream are operated by the same corporate entity (namely, the Applicant), both also fall under the purview of the Directors who are subject to MAS’ Fit and Proper Guidelines (as such term is defined below). Additionally, Participants undergo the same screening, diligence and on-boarding process regardless of whether they are Participants of Quicktrade, Pricestream or both. Similarly, the Rules apply to the conduct of Participants on both Quicktrade and Pricestream.

Users of the Platform

- 35 At the time of this application, several Canadian and foreign banks, governmental financial institutions, corporations, private funds, investment firms and institutions are customers of the Applicant.
- 36 RTSPL has confirmed that all of the Participants are sophisticated investors such as banks, dealers, government institutions, advisers and large corporations. Participants based in Ontario are appropriately registered as applicable under Ontario securities laws or are exempt from or not subject to those requirements. As further outlined in Section 4.1 of this application, RTSPL takes steps to ensure that only permitted clients and accredited investors are granted access to the Platform.
- 37 To use Pricestream, Participants will need to explicitly opt-in. This requires them to sign an order form requesting the use of Pricestream on the Platform.

Part II Application of Exemption Criteria to the Platform

1 REGULATION OF THE APPLICANT

1.1 Regulation of the Applicant – the Applicant is regulated in an appropriate manner in another jurisdiction by a foreign regulator (the Foreign Regulator).

Regulation of RMOs

1.1.1 The Platform is offered by RTSPL. RTSPL was authorized and regulated in Singapore as a money broker by MAS until June 5, 2020. As noted above, RTSPL applied to be regulated as an RMO and was recognized as an RMO by the MAS effective June 5, 2020.

1.1.2 As noted above, RMOs are regulated under Part II, Division 3 of the SFA, as well as the SFA Regulations, which between them provide for a comprehensive regulatory regime for RMOs. There were no changes to the Platform's operations after RTSPL was recognized as an RMO.

1.1.3 In 2018, the regulatory regime for RMOs was revised through the amendment of the SFA and the introduction of the SFA Regulations¹, which replaced previous regulations. The effect of these revisions was to introduce new requirements for RMOs more akin to those that had previously only applied to Approved Exchanges in Singapore. Among other things, the new requirements include requiring that RMOs manage risks prudently and maintain user confidentiality.

1.1.4 The MAS introduced a new regime for RMOs in 2019. Under the MAS's new regime for RMOs, operators will be categorized as either Tier 1, Tier 2 or Tier 3. RTSPL is classified as a Tier 2 marketplace. Tier 2 marketplaces are subject to substantially the same rules and regulations as those currently in place for RMOs.

1.1.5 Under this regulatory regime, RMOs have a number of general obligations. These include the obligation of an RMO to:

- as far as is reasonably practicable, ensure that every organized market it operates is a fair, orderly and transparent organized market;

¹ The SFA Regulations can be found at the following link: <https://sso.agc.gov.sg/Act/SFA2001>.

- manage any risks associated with its business and operations prudently;
- in discharging its obligations under the SFA, not act contrary to the interests of the public, having particular regard to the interests of the investing public;
- ensure that access for participation in its facilities is subject to criteria that are (i) fair and objective; and (ii) designed to ensure the orderly functioning of its organized market and to protect the interests of the investing public;
- maintain business rules and, where appropriate, listing rules that make satisfactory provision for (i) the organized market to be operated in a fair, orderly and transparent manner; and (ii) the proper regulation and supervision of its members;
- enforce compliance with its business rules and, where appropriate, its listing rules;
- have sufficient financial, human and system resources to (i) to operate a fair, orderly and transparent organized market; (ii) to meet contingencies or disasters; and (iii) to provide adequate security arrangements;
- maintain governance arrangements that are adequate for its organized market to be operated in a fair, orderly and transparent manner; and
- ensure that it appoints or employs fit and proper persons as its chairman, chief executive officer, directors and key management officers.

1.1.6 RMOs are also required to notify MAS of certain matters, maintain records of all transactions effected through the RMO, submit periodic reports, and assist MAS with respect to certain matters.

1.2 Authority of the Foreign Regulator – The Foreign Regulator has the appropriate authority and procedures for oversight of the Platform. This includes regular, periodic oversight reviews of the Platform by the Foreign Regulator.

Scope of Authority

1.2.1 MAS is a Singaporean governmental body, given statutory powers by the MAS Act. As specified in the MAS Act, its roles are:

- to act as the central bank of Singapore, conduct monetary policy, issue currency, oversee payment systems and serve as banker to and financial agent of the Government;
- to conduct integrated supervision of the financial services sector and financial stability surveillance;
- to manage the official foreign reserves of Singapore; and
- to develop Singapore as an international financial centre.

1.2.2 While MAS is a governmental body, MAS is operationally autonomous.

1.2.3 MAS is overseen by a board of directors responsible for the policy and general administration of the business and affairs of MAS.

1.2.4 Under the MAS Act, the Board of Directors of MAS is appointed by the President of Singapore. The Chairman of the Board is appointed by the President of Singapore on the recommendation of the Cabinet. The Board of Directors is responsible for the policy and general administration of the affairs and business of MAS and informs the Government of the regulatory, supervisory and monetary policies of MAS. The Board is ultimately accountable to the Parliament of Singapore through the Minister-in-charge of MAS.

1.2.5 At present, the majority of directors are government ministers or employees of governmental entities.

1.2.6 In addition, one of the directors is appointed Managing Director by the President of Singapore. A Cabinet Minister serves as the non-executive Chairman of MAS. Currently, the Deputy Prime Minister of Singapore serves in this role.

1.2.7 MAS has four specific operational objectives set by the MAS Act. These are to:

- maintain price stability conducive to sustainable growth of the economy;
- foster a sound and reputable financial centre and to promote financial stability;
- ensure prudent and effective management of the official foreign reserves of Singapore; and
- grow Singapore as an internationally competitive financial centre.

1.2.8 The MAS Act specifies, however, that in giving effect to its objects under the MAS Act, MAS is to act on the basis that the object of fostering a sound and reputable financial system prevails over the object of growing Singapore as an internationally competitive financial centre.

1.2.9 MAS serves as conduct and prudential regulator (as applicable) for financial services firms and financial markets in Singapore, ranging from global investment banks to very small businesses.

1.2.10 At the time of this application, MAS regulates various categories of financial institutions, including Approved Exchanges, RMOs, and money brokers. Under the current regulatory regime, Singapore-incorporated operating markets that are systemically-important, or wish to serve retail investors, operate as Approved Exchanges under Part II, Division 2 of the SFA. Otherwise, they are regulated as RMOs under Part II, Division 3 of the SFA.

1.2.11 MAS's approach to risk oversight is outlined in the monograph entitled [*Objectives and Principles of Financial Sector Oversight in Singapore*](#) (**Objectives and Principles**). Objectives and Principles states that in overseeing Singapore's financial sector, MAS's overall goal is a "sound and progressive financial sector". More specifically, outcomes MAS seeks to achieve are a stable financial system; safe and sound financial intermediaries; safe and efficient financial infrastructure; fair, efficient and transparent organized markets; transparent and fair-dealing intermediaries and offerors; and well-informed and empowered consumers.

1.2.12 MAS seeks to reduce the risk and impact of a failure by requiring institutions to have sound risk management systems and adequate internal controls. It also requires institutions to have appropriate contingency arrangements to address risks that may materialize in stress conditions, and to maintain prudent levels of capital to buffer against possible losses.

1.2.13 However, MAS has not adopted a zero-failure approach. Objectives and Principles notes that even if it were possible to prevent failure in all instances, it would be undesirable to seek to do so, because any such supervisory and regulatory regime would be excessively

burdensome for financial institutions and severely undermine their competitiveness, innovation and enterprise and therefore be inconsistent with MAS's overall goal of promoting a sound and progressive financial sector.

1.2.14 MAS has not indicated that it will undertake in-depth periodic audits of RTSPL's compliance. However, RTSPL does provide the MAS with the following information on a periodic basis:

- Semi-annual Trade and Volume report;
- annual outsourcing register;
- annual submission of audited accounts and auditor's reports; and
- information and statistics on operations as required.

1.2.15 The MAS's oversight authority or activities have not changed as a result of the introduction of the new regime for RMOs.

Authorizing statutes

1.2.16 MAS was created by the MAS Act, originally enacted in 1970.

1.2.17 In addition to the MAS Act, MAS also enforces a number of other statutes and regulations. Of particular relevance are the SFA and the SFA Regulations, which between them are the main statutes and regulations that govern RMOs in Singapore.

Source of its authority to supervise the Platform

1.2.18 As detailed in Sections 1.1.5-1.1.6 above, MAS has the statutory authority to supervise RMOs under the SFA and SFA Regulations. Both QuickTrade and Pricestream are subject to regulatory oversight by MAS as each facilitates trades in FX products which RTSPL has received approval for from MAS.

Rules and policy statements

1.2.19 MAS from time to time issues a number of additional directions, guidelines, and other such documents that may apply to regulated activities. MAS provides a list of such documents on the "[Regulations, Guidance and Licensing](#)" section of its website.

Financial protections afforded to customer funds

1.2.20 RTSPL does not hold any client money.

Authorization, licensure, or registration of RTSPL

1.2.21 As RTSPL is recognized as an RMO, RTSPL has a statutory obligation to ensure that business conducted by means of its facilities is conducted in an orderly manner so as to afford proper protection to investors. Failure to comply with these obligations may mean that RTSPL loses its recognition as an RMO in Singapore.

1.2.22 Under section 40 of the SFA, an RMO is required to submit such periodic reports to MAS as are prescribed by regulation. Under section 22 of the SFA Regulations, an RMO must submit to MAS, within three months after the end of each financial year of the RMO or such

longer period as MAS may permit, a copy of its audited financial statements for that financial year.

1.2.23 Under section 14 of the SFA, MAS has the power to revoke approval and recognition of an RMO in certain defined circumstances, including if the RMO contravenes any provision of the SFA or if the RMO operates in a manner that is, in the opinion of MAS, contrary to the interests of the public. Under section 46AAB of the SFA, MAS may also assume control of an RMO in certain circumstances, including where in the opinion of MAS the RMO is carrying on its business in a manner likely to be detrimental to the interests of the public or a section of the public or to the protection of investors, or has contravened any of the provisions of the SFA.

1.2.24 In addition to Singapore, the Applicant holds the following licenses or recognitions, or has been exempted from such requirements, by the following regulatory authorities:

- Australian Market Licence - Australian Securities and Investments Commission (**ASIC**);
- Money Broker - Hong Kong Monetary Authority (HKMA);
- Foreign Trading Venue - Swiss Financial Market Supervisory Authority (FINMA); and
- Exempt from swap execution facility registration requirements – U.S. Commodity Futures Trading Commission (the **CFTC**).

The Foreign Regulator’s approach to the detection and deterrence of abusive trading practices, market manipulation, and other unfair trading practices or disruptions of the market

1.2.25 Part XII, Division 1 of the SFA contains extensive provisions relating to market abuse that apply to the Platform and its users. As all users with access to Pricestream are Participants, the SFA requirements related to market abuse are also applied by the Applicant to the transactions that occur through Pricestream. However, as all trading on the Platform is relationship based, the Applicant believes that the risk of market abuse is low as the Participants know who they are trading with.

1.2.26 Part XII, Division 1 of the SFA applies to acts occurring within Singapore in relation to, among other things:

- securities or securities-based derivatives contracts of any corporation, whether formed or carrying on business in Singapore or elsewhere;
- securities or securities-based derivatives contracts of any business trust;
- securities or securities-based derivatives contracts listed for quotation or quoted on an organized market in Singapore or elsewhere;
- derivatives contracts, whether traded in Singapore or elsewhere;
- spot foreign exchange contracts for purposes of leveraged foreign exchange trading, whether traded in Singapore or elsewhere; and
- any other capital markets products, whether traded in Singapore or elsewhere.

1.2.27 Part XII, Division 1 of the SFA also applies to acts occurring outside Singapore in relation to, among other things:

- securities or securities-based derivatives contracts listed for quotation or quoted on an organized market in Singapore;
- derivatives contracts traded in Singapore;
- spot foreign exchange contracts for purposes of leveraged foreign exchange trading that are traded in or accessible from Singapore; and
- any other capital markets products that are traded in Singapore.

1.2.28 The market manipulation provisions in Part XII, Division 1 of the SFA prohibit various abusive or manipulative practices, including:

- false trading and market-rigging transactions;
- market manipulation in relation to securities and securities-based derivative contracts;
- false or misleading statements;
- fraudulently inducing persons to deal in capital markets products;
- employment of manipulative or deceptive devices; and
- manipulation of prices of derivatives contracts and cornering.

1.2.29 For FX instruments of the type traded through the Platform, the threat of market abuse is market manipulation. The steps RTSPSPL takes to enforce the prohibition on market manipulation minimises the risk of abuse and are discussed elsewhere in this application, including in Section 11 below. As an RFQ and RFS Platform, the risks of market abuse and manipulation are reduced with the controls RTSPSPL has in place which include the implementation of a surveillance system and processes designed to detect patterns of behaviour by Participants that may indicate market abuse and manipulation.

1.2.30 Under section 232 of the SFA, an RMO has an obligation to inform MAS of certain matters, including the matters listed in section 21 of the SFA Regulations. While these matters do not include market manipulation as such, MAS may require that an RMO report any matter the MAS may specify by notice in writing to the RMO in any particular case.

1.2.31 As noted in the RTSPSPL Market Misconduct and Escalation Policy (the **Market Misconduct Policy**), RTSPSPL is required to report orders and transactions, including any cancellation or modification thereof, that could constitute insider trading, market misconduct, attempted insider trading or market misconduct, and any other suspicious transaction or incident of fraud, to the Singapore police, MAS and/or other relevant authorities. The Market Misconduct Policy applies to orders and transactions using both the QuickTrade and Pricestream features of the Platform.

1.2.32 MAS may also independently enforce the statutory provisions against market manipulation through either civil or criminal penalties. Under section 204 of the SFA, any person who contravenes any of the provisions of Part XII Division 1 is guilty of an offence and liable on conviction to a fine not exceeding SGD \$250,000 or to imprisonment for a term not exceeding seven years or to both. Under section 232, when it appears to MAS that any person has contravened any of the market manipulation provisions (among others), MAS may, with the consent of Singapore's Public Prosecutor, bring an action in court against that person to seek an order for a civil penalty in respect of that contravention.

2 GOVERNANCE

2.1 Governance – The governance structure and governance arrangements of RTSPL ensure:

(a) Effective oversight of the Platform,

2.1.1 The Board of Directors of RTSPL (the **Board**), which consists of a total of five members, is responsible for oversight of the Platform. All directors are employees of Refinitiv and are appointed by Refinitiv. The responsibilities of the directors are divided by their areas of expertise, with one director responsible for trading proposition, one director responsible for market development, one director responsible for finance, one director responsible for information technology and one director (and CEO) responsible for transaction sales. This division of responsibility and expertise helps ensure effective oversight of the Platform.

2.1.2 The directors collectively bring together the necessary skills to effectively manage the operational and strategic vision of the Platform. The directors' roles are divided as follows:

- the CEO, who heads Foreign Exchange Transaction Sales in APAC and runs Refinitiv's business in the region offering the Platform and oversees the day-to-day operation of the Platform;
- a head of Market Development, who has oversight of the market in the region and identifies opportunities for new clients and/or regulatory requirements;
- a Finance Director, who oversees the finances of RTSPL;
- a head of Trading, who advises on the global strategic initiatives of the product/Platform
- a head of IT Integration, who leads technology in the region with a focus on the capabilities and stability of the Platform in Asia.

2.1.3 In addition, a head of Compliance will serve as RTSPL's compliance director (the **Compliance Director**). The Compliance Director is independent of the Board.

2.1.4 The representation on the Board of a broad range of business functions from within Refinitiv's business ensures that the interests of different persons and companies using the Platform are properly considered and balanced and that feedback from various constituencies is passed on to and considered by the Board. Further, given that RTSPL is a wholly-owned subsidiary of the Refinitiv Group, the Board does not believe that it is necessary to include independent directors on the Board.

2.1.5 The Board sets high standards for the Platform. RTSPL's approach to corporate governance reflects RTSPL's commitment to the Platform's users to provide a fair and efficient market.

2.1.6 RTSPL's Terms of Reference for its Board of Directors (the **RTSPL ToR**) defines the arrangements that govern the operation of the Board. The RTSPL ToR provides that the Board will discharge its duty to provide leadership within a framework of prudent and effective controls which enable risk to be assessed and managed by (i) taking actions collectively as a Board and (ii) delegating authority to its committees (the Risk Committee and the Jurisdictional Approval Committee) and executives.

2.1.7 The RTSPL ToR provides that RTSPL must ensure that any Board candidate is authorized (where applicable) by MAS before the candidate officially starts to perform their

function. RTSPL conducts appropriate due diligence fit and proper checks. While there is no strict requirement under the SFA and SFA Regulations for a new director or key executive to be submitted to MAS for approval before appointment, there is a regulatory expectation that the MAS's approval be sought prior to such appointment.

2.1.8 Under section 33(1)(i) of the SFA, an RMO must ensure that it appoints or employs fit and proper persons as its chairman, chief executive officer, directors and key management officers. MAS maintains a published guide to determining whether an individual is fit and proper, the Guidelines on Fit and Proper Criteria (the **Fit and Proper Guidelines**).² Under the Fit and Proper Guidelines, the criteria for assessing whether an individual is fit and proper include but are not limited to: (a) honesty, integrity and reputation; (b) competence and capability; and (c) financial soundness. Detailed criteria are provided under each of these three headings.

2.1.9 In addition, while the Fit and Proper Guidelines do not explicitly impose an independence standard on the directors, the requirements in the Fit and Proper Guidelines require a director to be competent and capable and, in assessing whether this standard is met, the relevant factors include “where the relevant person is an individual who is assuming concurrent responsibilities, whether such responsibilities would give rise to a conflict of interest or otherwise impair his ability to discharge his duties in relation to any activity regulated by MAS under the relevant legislation”. Additionally, the Fit and Proper Guidelines underpin MAS's requirements that the directors perform their duties efficiently, honestly, fairly and act in the best interests of their stakeholders and customers.

2.1.10 The Board is responsible for strategic planning, compliance and risk management, financial reporting, and corporate governance.

2.1.11 The Board is supported by two standing committees: a Risk Committee and a Jurisdictional Approval Committee. Both committees have their own separate terms of reference, as distinct from the RTSPL ToR.

2.1.12 The members of the Risk Committee include Refinitiv employees who have an operational or functional responsibility on behalf of RTSPL. Its duties include:

- developing and executing an effective risk management process to identify, assess, mitigate and monitor risks faced by RTSPL;
- reporting and making recommendations to the Board in respect of these risks;
- making recommendations to the Board on overarching risk matters such as risk culture, appetite and tolerance and risk management methodology;
- monitoring risk-related developments and best practices in the industry;
- addressing any additional related matters delegated to the Committee by the Board;
- providing advice, oversight and challenge necessary to embed and maintain a supportive risk culture throughout the firm; and
- providing oversight and challenge of the day-to-day risk management and oversight arrangements of the executive.

2.1.13 The purpose of the Jurisdictional Approval Committee is to provide a centralized FX approval process for any business propositions for regulated and non-regulated products that

² The Fit and Proper Guidelines can be found at <https://www.mas.gov.sg/regulation/guidelines/guidelines-on-fit-and-proper-criteria>.

require the creation of a new presence (legal entity) or the extension or change of scope of existing activities (legal entities) within a regulatory jurisdiction.

2.1.14 While the Applicant takes appropriate measures to ensure robust financial reporting, the use of an audit committee would be unsuited to the nature and structure of the Applicant's business, given that many of the Applicant's resources and functions are shared with or performed by other members of the Refinitiv Group. However, financial audit is independently undertaken by Deloitte and the full Board exercises the oversight over the audit process and financial reporting that an audit committee would undertake.

2.1.15 In addition, RTSPL's Risk Committee exercises its oversight function to ensure that any financial risks that may pose a risk to the Platform or its Participants are adequately considered and mitigated. RTSPL also currently holds quarterly Board and Risk Committee meetings in which all audit items are discussed and tracked. As such, a standalone audit committee is not warranted as its functions are already carried out by the Board and Risk Committee and through the reviews conducted by Deloitte.

2.1.16 Furthermore, section 2.6 of the MAS's Guidelines on Risk Management Practices – Internal Controls outlines the requirements relating to audits. Section 2.6.2 does not mandate that an institution have an audit committee if senior personnel who are fit and proper to oversee the internal audit functions are appointed and the internal audit function has appropriate independence with reporting lines to the institution's board. Refinitiv has an Internal Audit function which undertakes reviews of the Refinitiv regulated entities, with RTSPL being audited annually. As a result, an audit committee would be unnecessarily duplicative given the nature and structure of the Applicant's business. The home jurisdiction regulator, the MAS, has also not required there to be an audit committee.

2.1.17 The Finance Director manages and oversees the financial performance of RTSPL and is responsible for financial reporting and analysis. The Finance Director regularly reports to the Board on the financial status of RTSPL and communicates with the representatives of the other members of the Refinitiv Group who perform audit-related functions. The Finance Director also participates in the deliberations of the Risk Committee meetings. The Finance Director, in addition to being a member of the Board, is also a member of the Risk Committee.

2.1.18 The RTSPL ToR provides that RTSPL must notify MAS of any change in membership to the Board (if required) and provide MAS with all relevant information, though as noted above, this is not strictly required by MAS. In addition, RTSPL has an ongoing obligation as an RMO to ensure that its chairman, chief executive officer, directors and key management officers are fit and proper, as required under the SFA.

2.1.19 As Pricestream is operated by RTSPL, it is overseen by the Board in the same manner as QuickTrade is overseen. In particular, the Fit and Proper Guidelines and RTSPL ToR each apply to the oversight of Pricestream.

(b) RTSPL's business and regulatory decisions are in keeping with its public interest mandate,

2.1.20 As one of the leading global providers of marketplaces, Refinitiv strives to uphold the public interest in fair, orderly and efficient markets in the instruments it makes available for quotation and trading through its platforms and facilities. The Applicant recognizes that Participants have many choices for trading the types of instruments available on the Platform. A failure to adopt and police appropriate rules, and make business and regulatory decisions in line with the Applicant's public interest mandate, could seriously compromise the Applicant's competitive position.

2.1.21 The steps RTSPL takes to ensure it upholds the public interest and complies with regulatory requirements that may apply to the Platform and Participants across the globe are outlined extensively in the Rules (which apply to both QuickTrade and Pricestream). Given its regulation by MAS and adherence to various international standards and codes of conduct, RTSPL provides a legally safe and well-regulated venue for the trading of FX Instruments.

2.1.22 These codes of conduct include, most importantly, the FX Global Code, of which Refinitiv's predecessor, the financial and risk division of Thomson Reuters, was an early adopter.

2.1.23 The FX Global Code is a set of global principles developed to provide a common set of guidelines to promote the integrity and effective functioning of the wholesale foreign exchange market. The FX Global Code is intended to promote a robust, fair, liquid, open, and appropriately transparent market in which a diverse set of market participants, supported by resilient infrastructure, are able to confidently and effectively transact at competitive prices that reflect available market information and in a manner that conforms to acceptable standards of behaviour. The FX Global Code was developed by a partnership between central banks and market participants from 16 jurisdictions around the globe.

2.1.24 Thomson Reuters and Refinitiv have signed a Statement of Commitment to the FX Global Code, which confirms that it acts as a Market Participant as defined by the FX Global Code, is committed to conducting its FX Market activities in a manner consistent with the FX Global Code, and has taken appropriate steps, based on the size and complexity of its activities and the nature of its engagement in the FX Market, to align its activities with the principles of the FX Global Code.

2.1.25 RTSPL has a statutory obligation under subsection 33(1)(c) of the MAS Act to ensure that in discharging its obligations under the MAS Act, it does not act contrary to the interests of the public, having particular regard to the interests of the investing public.

2.1.26 In addition, both the Platform and its members are subject to regulatory controls and input from various government bodies, both in Singapore and in other jurisdictions. The Applicant also adopts various best practices with respect to offering an international platform, including those of the CFTC, despite the Applicant not being strictly required to comply with such practices and regulations.

2.1.27 The operation of the Platform serves the broader public interest in liquid and efficient capital markets. Because of the confidence Participants place in it, the Platform has become one of the world's premiere FX trading facilities which will be enhanced with the addition of Pricestream. The market that Refinitiv provides allows quick and efficient price discovery and risk transfer for financial and non-financial institutions alike, fulfilling a critical economic role in allowing corporate firms and asset managers to efficiently and effectively hedge risk and fund their treasury activities. This allows those firms to reduce their cost of capital and thus helps to drive economic growth.

2.1.28 All business and regulatory decisions are taken with the view to treating customers fairly and ensuring fair and orderly markets in line with regulatory obligations.

2.1.29 The Rules, codes of conduct, best practices and regulatory controls mentioned above apply to both QuickTrade and Pricestream on the Platform.

(c) fair, meaningful and diverse representation on the board of directors and any committees of the board of directors, including:

- (i) appropriate representation of independent directors, and**
- (ii) a proper balance among the interests of the different persons or companies using the services and facilities of the Platform.**

2.1.30 The RTSPL ToR requires that the overall composition of the Board reflect an adequately broad range of experiences. The Chairman is principally responsible for overseeing the operations and affairs of the Board, ensuring that the directors receive accurate, timely and clear information, and promoting a culture of openness and debate.

2.1.31 Although the RTSPL ToR acknowledges the best practice and benefits of including non-executive directors in the Board's membership, the Board does not believe that it is necessary to have non-executives at this time, as RTSPL is a wholly owned subsidiary within the Refinitiv Group. In addition, MAS does not require that an RMO have any independent directors. Accordingly, and as previously noted, all directors of RTSPL are employees of Refinitiv. That said, the Board will review the need for non-executive directors annually and, if considered appropriate and necessary, recommend the appointment to such a position.

2.1.32 As per RTSPL ToR, there are no term limits for directors. The Board does not believe it should establish term limits or mandatory retirement ages for its members as such limits may deprive RTSPL of valuable contributions and specialized skill-sets that are essential to running a trading venue of the size and complexity of the Platform.

2.1.33 The RTSPL ToR sets out the Board structure, including that each director on the Board typically represents and is responsible for a specific area of RTSPL's business. These areas include: finance, technology/development, customer administration, strategy, service/operations, regulation, and product administration. However, director duties are not limited to their specific area of business and may cover other business areas. Records of the allocation of these functions are maintained by the Company Secretary.

2.1.34 The inclusion of executives from a broad range of areas within Refinitiv's business ensure that there is a proper balance among the interests of different persons and companies using the services and facilities of the Platform, and that feedback and concerns from various constituencies with an interest in Platform are adequately conveyed to and considered by the Board.

2.1.35 A proper balance among the interests of those using the Platform is also met as the directors directly interact with a diverse range of clients of RTSPL. This provides the directors with the first-hand experience necessary to determine whether the services and facilities of the Platform are fit for the needs of the clients. This also means that the Board is well placed to determine if the services and facilities of the Platform are fit and appropriate for clients.

2.1.36 As noted above, the Board also oversees Pricestream. As such, Pricestream is subject to the same governance structures and requirements as QuickTrade, including the RTSPL ToR.

(d) RTSPL has policies and procedures to appropriately identify and manage conflicts of interest, and

2.1.37 The Board is accountable for putting a conflicts management framework in place and implementing systems, controls and procedures to identify, escalate and manage conflicts of interest.

2.1.38 Under the MAS [Guidelines on Risk Management Practices](#) (the **MAS Risk Management Guidelines**), RTSPL is required to have adequate policies, procedures and controls to address conflict of interest situations. RTSPL takes the view that the requirements under the SFA for RTSPL to ensure its market is fair, orderly and transparent, and manage any risks associated with its operations and business prudently, require RTSPL to have a conflict of interest policy.

2.1.39 Accordingly, RTSPL has established a conflict of interest policy (the **COI Policy**) that contains arrangements to prevent actual or potential conflicts of interest, a copy of which is available to Participants by e-mail upon request. All directors and employees are responsible for identifying and raising conflicts of interest through the appropriate channels. Conflicts of interest are raised with the compliance team and are approved, recorded and reviewed on an annual basis through a register.

2.1.40 Conflicts of interest under the COI Policy can be defined as any situation in which Refinitiv or personnel working on its behalf:

- are likely to make a financial gain or avoid a financial loss at the expense of Refinitiv or Participants;
- are likely to have an interest in the outcome of a service provided to a Participant which is distinct from the Participant's interest in that outcome;
- are likely to have an incentive to favour the interest of one or a group of Participants over the interests of another Participant; or
- carry on the same business as the Participant.

2.1.41 The COI Policy specifically addresses how conflicts of interest are to be prevented or mitigated if they arise. It provides that measures may include:

- information barriers;
- electronic separation through separate e-mail and computer access;
- physical barriers, such as locating different parts of the business in different geographical locations;
- remuneration structures which do not allow for employees to be incentivized in such a way that conflicts may arise, including conflicts between the objectives of RTSPL and the individual interests of directors and senior management;
- measures to stop relevant employees exercising undue influence over the way other employees perform their roles; and
- identification and separation of relationships where conflicts may exist, e.g. ensuring segregation of sales teams from areas handling confidential information, or where an individual has responsibility for both trade execution and also operations functions.

(e) there are appropriate qualifications, remuneration, limitation of liability and indemnity provisions for directors, officers and employees of RTSPL.

2.1.42 See sections 2.1(c) and 2.2 of this application for information regarding the qualifications of directors. None of the directors are remunerated for their roles on the Board.

2.1.43 RTSPL's Articles of Association permit RTSPL to indemnify directors out of the company's assets provided that such indemnity would not be prohibited or rendered void by any provision of Singapore's *Companies Act* or any other provision of law. None of the directors are currently indemnified by RTSPL or Refinitiv.

2.1.44 The *Companies Act* places several limitations upon the ability of a company to indemnify officers. Under section 4 of the *Companies Act*, the term "officer" includes: (a) any director or secretary of the corporation or a person employed in an executive capacity by the corporation; (b) a receiver and manager of any part of the undertaking of the corporation appointed under a power contained in any instrument; and (c) any liquidator of a company appointed in a voluntary winding up, but does not include: (d) any receiver who is not also a manager; (e) any receiver and manager appointed by the Court; (f) any liquidator appointed by the Court or by the creditors; or (g) a judicial manager appointed by the Court under Part VIII A of the *Company Act*. Currently, there are no employees of RTSPL; however, given the above definition, the limitations on the ability to indemnify would not apply to most employees should RTSPL hire any in the future.

2.1.45 Under section 172(1) of the *Companies Act*, any provision that purports to exempt an officer of a company (to any extent) from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company is void. Further, under section 172(2) of the *Companies Act*, any provision by which a company directly or indirectly provides an indemnity (to any extent) for an officer of the company against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company is void, except as permitted by section 172A or 172B of the *Companies Act*. Section 172A of the *Companies Act* permits a company to purchase and maintain insurance for an officer of the company against any liability referred to in section 172(2) of the Singapore *Companies Act*.

2.1.46 Section 172B of the *Companies Act* provides that the broad prohibition on indemnities pursuant to subsection 172(2) of the *Companies Act* does not extend to liability incurred by the officer to a person other than the company. However, this exemption does not apply if the indemnity is against (a) any liability of the officer to pay a fine in criminal proceedings or sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising) or (b) any liability incurred by the officer (i) in defending criminal proceedings in which he is convicted; (ii) in defending civil proceedings brought by the company or a related company in which judgment is given against him; or (iii) in connection with an application for certain types of relief in which a court refuses to grant relief.

2.1.47 Directors of RTSPL are insured under the Refinitiv Group directors and officers insurance policy. This information above in this Section 2.1(d) and (e) applies to both QuickTrade and Pricestream.

2.2 Fitness – RTSPL has policies and procedures under which it will take reasonable steps, and has taken such reasonable steps, to ensure that each director and officer is a fit and proper person and past conduct of each officer or director affords reasonable grounds for belief that the officer or director will perform his or her duties with integrity.

2.2.1 The RTSPL ToR provides that RTSPL will take steps to ensure that any director candidate is authorized (where applicable) by MAS before the candidate officially starts to

perform the candidate's function. RTSPL will conduct appropriate due diligence and "fit and proper checks" if submitting applications for approval to the MAS in order to determine that a director candidate satisfies the Fit and Proper Guidelines. RTSPL will notify other relevant regulators/supervisory authorities if MAS approval is required and granted. RTSPL notifies MAS when director changes occur.

2.2.2 As noted above, MAS requires that a chief executive or director of an RMO be "fit and proper," in accordance with the Fit and Proper Guidelines. The Fit and Proper Guidelines impose rigorous criteria on individuals carrying out any activities regulated by the MAS and include the fit and proper test, standards related to honesty, integrity and reputation, competence and capability and financial soundness. The granting of RMO recognition for RTSPL signifies that MAS concluded that all of its officers, employees and substantial shareholders are fit and proper persons. RMOs also have an ongoing duty to ensure that they appoint or employ fit and proper persons as their chairman, chief executive officer, directors and key management officers.

2.2.3 As noted above, the Board also oversees Pricestream. As such, the governance requirements and structures set out in Section 2 above apply equally Pricestream and QuickTrade.

3 REGULATION OF PRODUCTS

3.1 Review and Approval of Products – The products traded on the Platform and any changes thereto are reviewed by the Foreign Regulator, and are either approved by the Foreign Regulator or are subject to requirements established by the Foreign Regulator that must be met before implementation of a product or changes to a product.

3.1.1 Section II, Question 2(a) of Singapore's Form 1 (Application for Approval as an Approved Exchange or Recognition as a Recognized Market Operator) requires that an applicant for RMO recognition provide detailed information on the securities, units in collective investment schemes, or derivatives contracts that will be traded on the applicant's markets. Accordingly, the RMO Application outlines the specific products available to be traded through the Platform.

3.1.2 With respect to any "relevant product" (as that term is defined in the SFA), an RMO must also notify MAS that it has taken measures to comply with the requirements that apply to listing, de-listing or trading of certain instruments, contracts and transactions, both before and after listing or de-listing, or permitting the trading of, any relevant product on any organized market operated by the RMO. For new products not approved under any existing licensing, RTSPL will be required to notify and request approval from the MAS. RTSPL is permitted to offer the suite of products that it has currently applied and received a license for. Any additions to the offering of approved products must be approved by the MAS.

3.1.3 Accordingly, with the exception of FX Spot³ and Pricestream, all products made available through the Platform would qualify as "relevant products" subject to the requirements specified in the [Notice on Listing, De-Listing or Trading of Relevant Products of an Organised Market of an Approved Exchange or a Recognised Market Operator Incorporated in Singapore](#) (the **Notice on Listing**). As a result, these "relevant products" traded through the facilities of an RMO are regulated by MAS.

3.1.4 The Notice on Listing came into effect on October 5, 2018. It requires that marketplaces to which it applies notify MAS in advance before the listing of a new product, and certify that the product specifications meet the criteria set out in the Notice on Listing, and that all relevant

³ FX Spot is not regulated by the MAS because the definition of "relevant product" under subsection 41(8) of the SFA explicitly excludes "a spot contract."

risks have been adequately addressed. This regime replaces the previous product approval regime, which required pre-emptive approval of products on a product-by-product basis.

3.1.5 An MAS [consultation paper](#) published before the Notice on Listing came into effect notes that the shift to a product notification regime is in line with international norms. The consultation paper notes that regulators like the CFTC, the ASIC, and the Japan Financial Services Authority have similar product notification regimes for their exchanges and market operators.

3.1.6 Under the Notice on Listing a relevant product exchange must notify MAS at least one week before listing a “relevant product” and certify that it has complied with the requirements of the Notice on Listing, including that a “relevant product exchange” (defined as an exchange that operates an organized market on which relevant products are listed or permitted for trading, or will be listed or permitted for trading) must not list or permit the trading of relevant products whether individually or collectively, that will have a materially adverse impact on the fair, orderly and transparent functioning of the market the RMO operates (including with respect to allocating capital or transferring risks), or materially increase the systemic risk in Singapore.

3.1.7 A relevant product exchange is required to have in place processes to identify the occurrence of any significant event that might result in any non-compliance with any requirement of the Notice on Listing, to notify MAS as soon as practicable after becoming aware of any resulting non-compliance with any relevant requirement of the Notice on Listing, and to provide details as to the steps taken or to be taken to rectify the non-compliance. In addition, the chief executive officer of a relevant product exchange is required to certify (in effect annually) that nothing has come to the attention of the relevant product exchange that would change its assessment of its compliance with the relevant requirements of the Notice on Listing.

3.1.8 In addition, section 38 of the SFA requires that RMOs furnish such assistance to MAS as it may require for the performance of its functions and duties, including books and records in respect of any product or class of products traded on the organized market of the RMO. The SFA also stipulates certain product and trading requirements which RTSPL must comply with and which are applicable to new instruments. These requirements include prohibitions against market abuse, market surveillance requirements and the requirement to report suspicious activity. The MAS has responsibilities to monitor and enforce compliance with the SFA and RTSPL has implemented rules and policies to ensure compliance with such requirements.

3.1.9 Other than precious metals derivatives which were authorized to be traded on the Platform under the RMO Application, the Applicant does not envision any changes to the products that are traded following its recognition as an RMO. Further, as the Platform was specifically designed to accommodate the products set out at paragraphs 25 and 30 above, RTSPL does not plan to offer additional products on the Platform. If additional products were to be considered, the Applicant would consider them in light of client demand balanced against the technical capability required to integrate a new product into FXall. RTSPL would also assess the risks, such as market manipulation and abuse, that may arise with such a product, among other factors. The Applicant would also consider any MAS approvals where applicable.

3.2 Product Specifications - The terms and conditions of trading the products are in conformity with the usual commercial customs and practices for the trading of such products.

3.2.1 As noted above, requests for quotes on QuickTrade may be obtained in the following financial instruments:

- FX Spot;

- FX Forwards;
- FX Swaps;
- FX Non-deliverable Forwards;
- FX Options; and
- Precious Metals Spot, Precious Metals Forwards, Precious Metals Swaps and Precious Metals Options based on underlying Precious Metals which are traded as a currency substitute.⁴

3.2.2 Requests for stream on Pricestream may be obtained for the same financial instruments as for QuickTrade.

3.2.3 These financial instruments are admitted in various currency pairs or FX Instruments. The current list is available on the [relevant section of Refinitiv's website](#). The currency pairs offered are the same for Pricestream and QuickTrade.

3.2.4 The term FX Instrument is used to denote a specific tenor and currency pair within a financial instrument, and the admission or removal of a financial instrument or an FX Instrument is at the discretion of RTSPL, subject to the relevant listing requirements imposed by MAS for the QuickTrade FX Instruments.

3.2.5 The terms and conditions with respect to these products are in conformity with the usual commercial customs and practices for an RFQ and RFS platform, as evidenced by Refinitiv being one of the leading global providers of services for an RFQ and RFS platform in such financial instruments and its adherence to the FX Global Code.

3.2.6 The Applicant ensures conformity with these commercial customs and practices for an RFQ and RFS platform by using market standards for reference data and definitions.

3.2.7 RTSPL will also have robust procedures in place to ensure that client feedback is captured and reflected, including any feedback arising from Participant concerns that the terms and conditions are not in conformity with the usual customs and practices for trading in the products offered through the Platform.

3.2.8 The governance process for adding a product begins with the business identifying a customer need based on such feedback received from customers. This need will then be discussed internally and if the opportunity is sufficiently worthy of implementing, the Board and Risk Committee will assess the risks of implementing the offering and develop and create the necessary controls and oversight to effectively manage the product before agreeing at the Board level to proceed. If the Board agrees to proceed, RTSPL will approach relevant regulatory authorities for awareness and if necessary approval (typically in parallel with RTSPL's internal evaluation of whether to proceed, in order to ensure that relevant regulatory authorities have visibility into RTSPL's intentions and that any potential questions, comments or concerns from regulators are addressed).

3.2.9 In addition to the financial instruments listed above, RTSPL may in the future offer other products on the Platform. These were outlined in the RMO Application, and may include Forwards Matching, Spot Matching and Prime Broker Matching, Callouts, Eikon Auctions, and

⁴ Precious metals can be used as an alternative to fiat currencies and are often traded to hedge against inflation. Precious metals also often offer high levels of liquidity which is one of the reasons why some clients consider them to be a currency substitute. They are currently traded on a "spot basis" and derivatives based on underlying precious metals are also traded on the Platform as authorized by the RMO recognition by MAS.

other products. However, RTSPL will only make such products available in conformity with the applicable rules in Singapore and in the jurisdictions in which they are made available to Participants, including Ontario.

3.2.10 RTSPL does not currently expect that the expansion of its FX Product range would necessitate any material increase in its existing financial, human or operational resources. However, it will keep these resources under review on an ongoing basis, with a view to scaling them up or otherwise adapting them if necessary.

3.3 Risks Associated with Trading Products – The Applicant maintains adequate provisions to measure, manage and mitigate the risks associated with trading products on the Platform, including, but not limited to, margin requirements, intra-day margin calls, daily trading limits, price limits, position limits, and internal controls.

3.3.1 Under subsection 35(1) of the SFA, an RMO must ensure that the systems and controls concerning the assessment and management of risks in respect of every organized market that the RMO operates are adequate and appropriate for the scale and nature of its operations, and is liable to a fine for failure to do so.

3.3.2 As an example of how RTSPL seeks to manage and mitigate such risks, the Platform contains pre-trade controls for maximum Offer-to-Deal (**OTD**) quantity. A Participant can elect to set a maximum OTD quantity threshold. Participants are blocked from entering OTD for amounts that exceed the pre-set quantity through both the graphical user interface (GUI) and the Automated Programme Interface used by Users of the Platform (the **API**). The Rules also contain an Erroneous Trade Policy to ensure consistency in how erroneous trades are handled across all Participants, encourage best practices to be adopted, and minimize the impact of erroneous trades on the community using the Platform. These pre-trade controls and Rules apply to both QuickTrade and Pricestream.

3.3.3 Participants are responsible for the post-trade settlement of all executed Transactions bi-laterally, and are responsible for providing one another with any information or documentation that is reasonably required to complete a transaction. This applies to transactions that take place using QuickTrade and Pricestream.

3.3.4 RTSPL can halt quotation activity if need be, and maintains information technology functions to do so. RTSPL requires Participants to ensure that they have their own controls, but RTSPL does not test their controls. This is in line with RTSPL's risk-based approach to ensuring the stability and functionality of the Platform. Because the Platform is an RFQ and RFS facility, RTSPL devolves upon Participants a high degree of responsibility for ensuring the adequacy of their own controls. The Rules require that Participants agree to provide Refinitiv with all information it reasonably requests in order to satisfy the requirements of applicable law or perform its obligations under the Rules or as Refinitiv may reasonably require including certain Personal Data. Such information may include information with respect to a Participant's controls if RTSPL becomes concerned about the adequacy or reliability of a Participant's controls.

3.3.5 The Applicant does not impose margin requirements, intra-day margin calls, daily trading limits, price limits, or position limits as FXall is a trading platform which only brings together the parties interested in making a trade. As the Applicant is not involved in the settlement portion of the trade, it is the responsibility of each Participant to institute and comply with its own margin requirements or limits. Additionally, all Participants are required to implement their own pre- and post-trade controls consistent with their regulatory requirements. Despite this, Refinitiv maintains a robust market surveillance program to detect and deter manipulation and other unfair trading practices on the Platform. This is detailed further under Section 9 below.

3.3.6 The Head of Product Management will be responsible for systems and controls for managing trading halts, the suspension of financial instruments, and pre-trade controls.

3.3.7 The controls, systems, Rules and procedures identified above apply to both QuickTrade and Pricestream.

4 ACCESS

4.1 Fair Access

(a) RTSPL has established appropriate written standards for access to its services including requirements to ensure:

- (i) Participants are appropriately registered as applicable under Ontario securities laws or Ontario commodity futures laws, or exempted from these requirements,**
- (ii) The competence, integrity and authority of systems users, and**
- (iii) Systems users are adequately supervised.**

4.1.1 RTSPL does not provide direct access to an Ontario Participant unless the Ontario Participant is appropriately registered as applicable under Ontario securities laws or is exempt from or not subject to those requirements.

4.1.2 The Rules specify the admission criteria which must be met for a Participant to be granted access to the Platform. Participants are required to either be “professional”, “accredited investors” or “expert investors” as defined in the SFA, or to belong to the categories listed in the Rules.

4.1.3 RTSPL confines admission to the categories listed in the Rules in order to ensure that investors are sufficiently sophisticated and well-capitalized to participate in the Platform without posing inordinate risks to Participants or the functioning of the Platform. RTSPL is not permitted to accept clients who do not meet any of the described client categorization requirements. Furthermore, the Rules state that RTSPL categorizes all of its clients in accordance with the SFA.

4.1.4 The Rules also specify that Participants must be deemed to be fit and proper, must act with honesty and integrity at all times, and must be of sufficiently good repute. The Rules require that Participants ensure their users have a sufficient level of trading ability, skill, competence and experience to conduct activities through the Platform and that it is the Participants’ responsibility to ensure users have adequate knowledge and experience to trade on the Platform.

4.1.5 For each Ontario Participant provided direct access to the Platform, the Applicant will require, as part of its application documentation or continued access to the Platform, the Ontario Participant to represent that it is appropriately registered as applicable under Ontario securities laws or is exempt from or not subject to those requirements. RTSPL will reasonably rely on a written representation from the Ontario Participant that specifies either that it is appropriately registered as applicable under Ontario securities laws or is exempt from or not subject to those requirements, and RTSPL notifies each Ontario Participant that this representation is deemed to be repeated each time it enters an order, request for quote or stream, or response to a request for quote or stream, or otherwise uses the Platform.

4.1.6 RTSPL requires that Ontario Participants notify the Applicant if their registration under Ontario securities laws has been revoked, suspended, or amended by the OSC or if they are

no longer exempt from or become subject to those requirements and, following notice from the Ontario Participant and subject to applicable laws, the Applicant will promptly restrict the Ontario Participant's access to the Platform if the Ontario Participant is no longer appropriately registered or exempt from those requirements.

4.1.7 RTSPL makes available to Ontario Participants appropriate training for each person who has access to trade on the Applicant's facilities.

4.1.8 Admission to the Platform is subject to RTSPL due diligence (know your client) checks on Participants, the Participant's compliance with the Eligibility and Operational Criteria set out in the Rules, and the Participant's execution of the Participant Agreement (including the commitment to abide by the Rules). RTSPL applies a risk-based approach to its anti-money laundering and know your client program. All RTSPL prospective clients must pass due diligence and know your client tests pre-onboarding and existing client files are periodically reviewed. High risk clients are reviewed at least once every 12 months and standard clients are reviewed every three years. RTSPL screens all its clients on sanctions, adverse media and regulatory enforcement actions. Participants who do not provide sufficient due diligence or know your client information, or fail the ongoing anti-money laundering and know your client tests, have their trading access rejected/suspended. Most Participants are large, well-known financial institutions or funds. If not well-known, RTSPL will make further inquiries to confirm representations given by Participants.

4.1.9 The other eligibility criteria include:

- Participants must be deemed to be fit and proper, must act with honesty and integrity at all times, and must be of sufficiently good repute;
- Participants must ensure their Users have a sufficient level of trading ability, skill, competence and experience to conduct activities on the Platform;
- In particular, at a minimum, Participants must ensure their Users are sufficiently trained in the application of the Rules and relevant Market Misconduct regulations, e.g. Part XII of the SFA and the FX Global Code;
- Participants must be of adequate financial soundness during both the application process and during the terms of the Participant Agreement;
- Participants must ensure that they have sufficient resources for the role they are to perform in meeting the operational requirements of using the Platform and for guaranteeing settlement of transactions;
- Participants must, where applicable, have adequate organizational arrangements commensurate with meeting their own regulatory obligations;
- Participants must have in place adequate systems and controls to ensure their on-going compliance with the Rules and management of their trading activities;
- Participants wishing to access the Platform via the API must have the technical ability to install and use the API to access the Platform;
- Participants must ensure they meet any local regulatory requirements with respect to trading FX Instruments on the Platform, including ensuring that their Users hold the correct regulatory approvals where relevant;

- Participants must supply any information requested by RTSPL to enable monitoring of Participants' responsibilities in relation to the admission criteria described in the Rules. Participants that fail to submit the information required or instances of non-compliance with the criteria specified will be subject to the disciplinary process described in the Rules (see Section 6.1(b)(v) below for additional details);
- Participants can only be prohibited from using the Platform in accordance with the Rules and cannot be arbitrarily or unreasonably prohibited from accessing the Platform; and
- Participants must satisfy any other criteria that RTSPL may reasonably require from time to time.

4.1.10 Specific criteria in the Rules apply for eligibility to be a Maker on the Platform. In addition to meeting the admission criteria for all participants, a Maker accessing the Platform must:

- be able to demonstrate that it has either sufficient bilateral credit to cover its trading obligations with each counterparty with which it wishes to trade through the Platform; or
- have sponsored credit support from a third party credit provider sufficient to cover its trading obligations in cases where it does not have bilateral credit with each relevant counterparty.

4.1.11 Makers must also have an appropriate level of risk management and operations infrastructure to enable them to monitor both trading activity during the Platform opening hours provided for in the Rules and their credit limits and credit limitations for other Takers.

4.1.12 Makers are also required to make timely decisions to address and/or adjust their credit limits, particularly when operating in respect of credit support.

4.1.13 Confining admission to the categories listed in the Rules is intended to ensure that Participants are held to standards of competence and integrity that are suitable for the Platform, and are of the type who regularly engage in large transactions by the standards of the global FX markets.

4.1.14 In addition, and to ensure the authority of system users, the Participant Agreement provides that access to the services may be subject to using passwords, smartcards, or other security devices (**Security Credentials**) provided by Refinitiv, and that Security Credentials must not be shared. The Participant Agreement further states that both Refinitiv and the Participant will use reasonable efforts to (a) scan the services and related systems for any code or device which is designed or intended to impair the operation of any computer or database or prevent or hinder access to, or the operation of, any program or data, using detection software generally accepted in the industry, (b) secure their computing environments according to generally accepted industry standards to ensure that the Services cannot be accessed by any unauthorised person or malicious software, and (c) remedy any security breach of which they become aware.

4.1.15 Per the Rules, RTSPL monitors Participants' activity on the Platform to identify breaches of compliance with the Rules, including identifying disorderly trading conditions or abusive conduct (as defined in the Rules) and in order to ensure regulatory compliance. The above applies to both QuickTrade and Pricestream.

(b) The access standards and the process for obtaining, limiting and denying access are fair, transparent and applied reasonably.

4.1.16 RTSPL is required to ensure that access for participation in its facilities is subject to criteria that are fair and objective and designed to ensure the orderly functioning of its organized market and to protect the interests of the investing public. Furthermore, Participants that are denied or granted limited access rights may appeal within RTSPL.

4.1.17 RTSPL has developed transparent and non-discriminatory rules based on objective criteria that govern access to the Platform; these are published in the Rules with additional information set out in the FXall Supplementary Annex (the **Supplementary Annex**). The Supplementary Annex applies to trading using both QuickTrade and Pricestream.

4.1.18 See Section 4.1(a) above for a detailed description of the Eligibility and Operational Criteria that all Participants must meet.

(c) RTSPL does not unreasonably prohibit, condition or limit access by a person or company to services offered by it.

4.1.19 As an RMO, RTSPL is required under subsection 33(1)(d) of the SFA to ensure that access to participation in its facilities is subject to criteria that are fair and objective and designed to ensure the orderly functioning of its organized market and to protect the interests of the investing public.

4.1.20 There is no unreasonable prohibition, condition or limitation on access by a person or company to services offered on the Platform. Where access is prohibited, conditioned or limited, such determinations are subject to appeal within RTSPL, and occur for reasons that are in line with industry standards. For instance, a Participant may be denied access for failing to meet the criteria for admission or failing to be appropriately registered or exempt from registration in their home jurisdiction. Similarly, access may be limited if the Participant's use of the Platform is found to violate the Rules or compromise the integrity of the Platform.

4.1.21 The Rules set out the conditions governing access to the Platform. These conditions are enforced impartially and apply equally to all Participants. These admission criteria are set out in greater detail beginning at Section 4.1.9 above. The rules governing the categories of Participants entitled to access the Platform are designed to ensure the orderly functioning of the Platform and mitigate risks to Participants, rather than to discriminate by geography or type of institution.

4.1.22 In addition, RTSPL maintains procedures to allow appeals to denials of access, which are the same as the general appeals process outlined in Section 7 below. These Rules and procedures apply to both QuickTrade and Pricestream.

(d) RTSPL does not

- (i) permit unreasonable discrimination among participants, or**
- (ii) impose any burden on competition that is not reasonably necessary and appropriate.**

4.1.23 Unreasonable discrimination among Participants is not permitted on the Platform. Participants are allowed to interact and trade with any other Participant they choose. See section 6.1.5 for additional details.

4.1.24 The Rules are designed to avoid unreasonable restraints of trade or the imposition of any material anticompetitive burden on trading. In particular, access to the Platform is available to a broad range and potentially unlimited number of Participants on a fair, equitable and timely basis.

4.1.25 With respect to RTSPL itself, while MAS does not maintain a rule akin to the CFTC's Core Principle 11 – Antitrust Considerations applicable to all US regulated SEFs, Singapore competition law under the [Competition Act](#) applies to the operations of RTSPL, including the general prohibition on “agreements between undertakings, decisions by associations of undertakings or concerted practices which have as their object or effect the prevention, restriction or distortion of competition within Singapore” are prohibited, unless the practices are otherwise exempt. Vertical agreements/concerted practices are currently excluded from the operation of the Competition Act – and thus in practice, the prohibition above applies to dealings between competitors. These requirements apply to both QuickTrade and Pricestream on the Platform.

(e) RTSPL keeps records of each grant and each denial or limitation of access, including reasons for granting, denying or limiting access.

4.1.26 Records of each grant and each denial or limitation of access, including reasons for granting, denying or limiting access, are kept. These records include the reasons for granting, denying or limiting access and are kept for seven years. These requirements apply to QuickTrade and Pricestream on the Platform.

5 REGULATION OF PARTICIPANTS ON THE PLATFORM

Regulation – RTSPL has the authority, resources, capabilities, systems and processes to allow it to perform its regulation functions, whether directly or indirectly through a regulation services provider, including setting requirements governing the conduct of its participants, monitoring their conduct, and appropriately disciplining them for violations of the Applicant's requirements.

5.1 Members and other participants are required to demonstrate their compliance with these requirements

5.1.1 Only Participants may use the Platform (whether for QuickTrade, Pricestream or both types of trading). All Participants must enter into a Participant Agreement. By executing a Participant Agreement, each Participant agrees that it will use the services provided by RTSPL in accordance with (a) the operating specifications to run or access the services; and (b) applicable laws and regulations, and that if the Participant is permitted to provide an affiliate with access to any part of the services, the Participant will ensure that such affiliate complies with all provisions of the Participant Agreement applicable to the Participant.

5.1.2 In addition, the Transactions Schedule to the Participant Agreement provides that the Participant's use of the services is subject to the relevant rule book or operational procedures, and that Refinitiv reserves the right to update rule books or operational procedures from time to time with at least thirty days prior written notice. The Participant is entitled to exercise its termination right under the Participant Agreement where such change fundamentally and detrimentally changes the nature of the services or the rights granted in respect of it. However, such termination right shall not apply where the update to the relevant rule book or operational procedures is implemented by Refinitiv to comply with laws and/or regulations. The relevant rule book or operational procedures take precedence over any conflicting term of the Participant Agreement.

5.1.3 The Rules require that all Participants comply with both the Rules applicable to RTSPL as a whole, and the rules applicable to the specific trading segment the Participant is authorized to and wishes to access.

5.1.4 The Rules state that Participants must have in place adequate systems and controls to ensure their on-going compliance with and management of their activities on the Platform. Refinitiv determines this by sending a yearly questionnaire to clients which verifies that their systems and controls comply with the requirements of the Platform.

5.1.5 In the event that RTSPL discovers or is informed that a Participant has failed to adhere to the Rules, RTSPL may investigate and sanction the Participant in accordance with the procedures set out in the Rules. Sanctions may include a verbal warning, written warning, temporary suspension, or termination of access to the Platform. See Section 6.1(b)(v) for additional details on investigations and sanctions.

5.1.6 Access to the Platform is generally restricted to Participants who are registered with and regulated by MAS (or are exempt from or not subject to such requirements) or are subject to similar registration and regulatory requirements in their home jurisdictions. Thus, while regulation of the market itself is carried out by RTSPL, MAS or equivalent regulatory bodies supervise the conduct of Participants' businesses and their financial soundness.

5.1.7 Compliance with the admission criteria is ensured at the point of admission. While RTSPL is not required to engage in ongoing proactive audits of compliance with the Rules, RTSPL may investigate any violation of the Rules that comes to its attention. In addition, RTSPL engages in market surveillance within the Platform to monitor for suspicious activity.

5.1.8 All Members are required by RTSPL to satisfy the membership criteria on an ongoing basis. Participants are required to notify RTSPL of anything RTSPL might reasonably expect to be disclosed to it. This would include all legal, financial and regulatory matters that are material to their standing as Participants.

5.1.9 Generally, MAS requires relevant personnel of MAS-regulated entities, such as holders of capital markets services licences, to meet certain criteria with respect to their fitness to engage in the activities the entity undertakes. For instance, holders of capital markets services licences are required to demonstrate, among other things:

- the track record, management expertise and financial soundness of the applicant and its parent company or major shareholders;
- ability to meet the minimum financial requirements prescribed under the SFA;
- strength of internal compliance systems;
- business plans and projections; and
- fitness and propriety.

5.2 Enforcement of RTSPL Rules on Members

5.2.1 RTSPL maintains mechanisms to ensure that the Rules are enforced effectively and impartially. These are discussed in greater detail in Section 12. They include, among other things, a disciplinary procedure and arrangements to ensure sharing of information with relevant Competent Authorities where required by law. In addition, MAS has the authority to independently pursue violations of Singapore law (including where they overlap with violation of the Rules).

5.2.2 RTSPL devotes appropriate resources to enforcement of the Rules and undertakes extensive market surveillance. RTSPL has implemented a surveillance system and processes

designed to detect patterns of behaviour by Participants that may indicate market abuse in general. Market surveillance is detailed further under Section 9 below.

5.2.3 The real-time market surveillance system checks the maximum order size and price tolerance for FXall. The maximum order size ensures that all orders are below a certain threshold. The price tolerance check ensures that the executed rate falls within a tolerance based on other rates available. These are system-wide controls and are not able to be changed by a specific Participant. The market surveillance system monitors trades using both QuickTrade and Pricestream on the Platform.

6 RULEMAKING

6.1 Purpose of Rules

(a) The Applicant has rules, policies and other similar instruments (Rules) that are designed to appropriately govern the operations and activities of participants and do not permit unreasonable discrimination among participants or impose any burden on competition that is not reasonably necessary or appropriate.

6.1.1 RTSPL has adopted a relevant, best-practices approach to the conduct of its Participants. This approach is embodied in the Rules, which are administered impartially and apply equally to all users. The Rules constitute a comprehensive code of conduct for the Platform and provide for fair and orderly trading and objective criteria for the efficient execution of orders. The Rules, together with the Supplementary Annex, Singapore regulatory requirements, and the Participant Agreements, govern use of and access to the Platform. As noted above, the Rules apply to both QuickTrade and Pricestream on the Platform.

6.1.2 While as a general matter MAS does not oversee the development of RMOs' rules or formally approve them before they come into effect, RMOs are required to maintain business rules and, where appropriate, listing rules that make satisfactory provision for the organized market to be operated in a fair, orderly and transparent manner and the proper regulation and supervision of its members. As part of the RMO Application, RTSPL provided MAS with a copy of the Rules. RTSPL routinely evaluates the appropriateness of the Rules and revises them

6.1.3 The Rules set out obligations of Participants, including with respect to trading processes and procedures, fair and orderly markets and the conduct and integrity of Participants. The Rules do not impose an unreasonable, unnecessary or inappropriate burden on competition.

6.1.4 RTSPL is not required to provide proposed changes to the Rules to MAS for approval. However, any such proposed changes must remain in compliance with all legal and regulatory obligations. However, under subsection 34(1)(a) of the SFA, RTSPL is required to notify MAS of any material change to the information provided in its application for RMO status as soon as practicable after the occurrence. In this respect, the Rules have been provided to the MAS as part of the RMO Application and RTSPL must notify the MAS of any material changes to the Rules as soon as practicable after such changes. As part of the standard supervisory engagement between RTSPL and MAS, MAS may request a copy of the current version of the Rules at any time and seek from RTSPL any information or explanations MAS deems necessary.

6.1.5 Unreasonable discrimination among Participants is not permitted on the Platform. The relationship between Participants on the Platform is based on trading. Participants are free to choose the other Participants with whom they trade and Participants form their own agreements on this basis. The Platform permits Participants to interact and trade with any other Participant. Additionally, RTSPL offers non-discriminatory access to its services, meaning Participants can

trade a product on one exchange and clear it at a central counterparty (CCP) owned by a completely separate group.

(b) The Rules are not contrary to the public interest and are designed to

(i) ensure compliance with applicable legislation,

6.1.6 The Rules are designed to ensure compliance with applicable legislation and uphold the interest of Participants and the wider public in a safe, reliable venue for the quotation of FX instruments.

6.1.7 The Rules require that Participants must comply with the Rules and with all applicable laws, regulations, codes of conduct and market practice to which Participants are bound in relation to their activity on the Platform, including all applicable laws and regulations relating to money laundering, proceeds of crime and any other financial crime legislation. Such codes of conduct include the FX Global Code.

6.1.8 The Rules also provide that where RTSPL is of the view that by continuing to provide access to a Participant it would be at risk of becoming involved in an arrangement which it knows or suspects facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person, it may terminate access to the Platform, either temporarily or permanently, without prior notice and with immediate effect.

6.1.9 RTSPL monitors Participants' activity on the Platform to identify breaches of compliance with the Rules, including identifying disorderly trading conditions or abusive conduct. RTSPL will comply with its regulatory obligations to report suspicious activity to the relevant Competent Authority or Law Enforcement Agency, which may include the OSC with respect to an Ontario Participant.

(ii) prevent fraudulent and manipulative acts and practices,

6.1.10 The Market Misconduct Policy states that RTSPL is required to report orders and transactions, including any cancellation or modification thereof, that could constitute insider trading, market misconduct, attempted insider trading, or any other suspicious transaction or incident of fraud, to the Singapore police, MAS and/or other relevant authorities.

6.1.11 The Market Misconduct Policy provides for a procedure for Refinitiv employees to report suspected market misconduct. Where the employee suspects him or herself, or is informed by a Participant that market misconduct has taken place (of any description), or simply that unethical or improper market conduct has been observed, the employee must immediately report the matter to the stipulated market conduct email address, irrespective of whether suspicions arrive through personal discovery (via interaction with Platform Participants, systems or staff) or via information reported directly to the employee by a Platform Participant. The employee must also (among other things) refrain from discussing the matter with the Participant.

6.1.12 With respect to prohibited practices among Participants, the Rules prohibit the following types of behaviour (collectively described as abusive conduct), whether intentional, accidental, manual or automated, and whether they occur individually, or in collusion with others:

- committing any act or course of conduct that creates, or is likely to create, a false or misleading impression of the market in, or the price, supply or value of, any FX Instrument traded on the Platform, or any FX Instrument, benchmark or reference,

whose value depends on that FX Instrument including using layering and spoofing strategies;

- submitting fictitious Orders, i.e. with a fictitious quantity or price, or entering into, or attempting to enter into, artificial Transactions;
- committing any act or engaging in any course of conduct that causes, or contributes to, a breach of the Rules by another Participant;
- effecting a pre-arranged Transaction that is designed to give the market a false view of supply, demand or pricing of an FX Instrument;
- credit manipulation, for example, adjusting credit limits with other Participants on a temporary basis, with the purpose of entering Orders that cannot be traded in order to give a false view of the current market;
- dealing in FX Instruments based on confidential information about impending events or transactions in those Instruments;
- committing any act of deception, fraud, or contrivance in relation to the use of the Platform, or to any markets, benchmarks, or references whose values depend on FX Instruments admitted to the Platform;
- any activity whatsoever that could be interpreted by a Competent Authority or Law Enforcement Agency as a breach of abusive conduct laws or regulations or defined as Market Abuse or equivalent under global regulations; and
- committing any act that is likely to damage the fairness or integrity of the markets available on the Platform.

(iii) promote just and equitable principles of trade,

6.1.13 The Rules deal with the conduct and integrity of Participants. In addition to the prohibited practices described above, Participants are required to:

- ensure all Orders are made with a clear and genuine intent to trade;
- all Orders are entered correctly; and
- act with integrity and mutual respect to resolve disputes directly with their counterparty promptly, including agreeing Transaction cancellations and amendments.

(iv) foster co-operation and co-ordination with persons or companies engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in products traded on the exchange,

6.1.14 The Rules are designed to foster co-operation and co-ordination among Participants, RTSPL, MAS, and relevant Competent Authorities (as appropriate). The Rules require that Participants provide any information, data, records or audit trails requested by the Applicant in connection with an investigation into a breach of the Rules.

6.1.15 Participants must also cooperate with the Applicant, MAS, as applicable, and any other relevant Competent Authority or Law Enforcement Agency (which will include the OSC with respect to an Ontario Participant) in any regulatory investigation, including facilitating the

monitoring of compliance with conduct rules, in an open and honest manner and promptly provide either soft or hard copies of data or records upon request.

6.1.16 With respect to clearing and settling Transactions, pursuant to the Rules, Participants themselves are responsible for (i) ensuring the prompt exchange and processing of Transaction confirmations directly with their counterparties in accordance with market practice and (ii) for the post-trade settlement of all executed Transactions bi-laterally, and are responsible for providing one another with any information or documentation that is reasonably required to complete a Transaction. Nonetheless, Participants may be required to furnish such information or documentation to RTSPL or the Regulator in the event of an investigation into a breach of the Rules or of applicable law.

(v) provide a framework for disciplinary and enforcement actions, and

6.1.17 The Rules set out the procedures for investigations, sanctions and appeals.

6.1.18 These procedures make available to RTSPL sanctions to deter and impose disciplinary measures with respect to abusive or disruptive conduct.

6.1.19 The Rules provide that where appropriate, and in its absolute discretion, RTSPL may refer instances of breaches and suspected breaches of the Rules to the Refinitiv Disciplinary Committee (the **Disciplinary Committee**) for consideration. The operations and composition of the Disciplinary Committee are described in further detail under Section 7 below.

6.1.20 RTSPL's disciplinary procedures are governed by the Terms of Reference and Procedure for Enforcement of the Rules for Refinitiv Trading Platforms (the **Disciplinary ToR**).

6.1.21 The Disciplinary TOR establishes procedures for disciplinary proceedings. The disciplinary procedure, as well as the rights of Participants in that procedure, are discussed in further detail under Section 7 below.

6.1.22 The Rules provide that RTSPL has the right to suspend or terminate a User's access to the Platform if RTSPL determines that the User's API is responsible for impacting the normal operation, performance, or quality of the Platform, in any respect. Prior to doing this, however, RTSPL will make every reasonable effort to notify the appropriate Platform Coordinator in advance. If RTSPL stops a User or a TR API application from trading, the Participant will still be responsible for all open or confirmed accepted OTDs, before or after that User was disabled. Participants are permitted to appeal the findings of the Disciplinary Committee to the Chief Counsel, Europe, Refinitiv in accordance with the Rules.

(vi) ensure a fair and orderly market.

6.1.23 The Rules deal with the processes and procedures required for fair and orderly markets and set out (i) the actions that the Applicant may take to maintain orderly and proper markets and (ii) the actions that the Applicant may take to restore the proper operation of, and the orderly business conduct of, the Platform.

6.1.24 For instance, actions RTSPL may take to ensure fair and orderly markets include:

- the suspension or restriction in some way of business on the Platform or any related systems;
- the closure of the Platform for any period;

- the cancellation or amendment of any Transaction(s) carried out on the Platform; and/or
- the suspension of Participant access rights and/or termination of the Participant Agreement.

6.1.25 These actions may be taken irrespective of whether they result from RTSPL's own determination or are made at the request of a Participant or Competent Authority. However, RTSPL endeavours to provide advance written notice of any such actions to the extent it is reasonably able to do so.

6.1.26 The Applicant may also suspend trading in an admitted financial instrument in one or more FX Instruments where it is considered necessary for the maintenance of a fair and orderly market, unless such suspension or removal would be likely to cause significant damage to investors' interests or the orderly functioning of the markets, for instance, if it were likely to create a systemic risk that could undermine financial stability.

6.1.27 RTSPL does not monitor Participants' limits. Because RTSPL only provides the technological solution to allow Participants to trade with each other outside of the Platform, it would be both inappropriate and impractical for RTSPL to do so. Participants wishing to trade with each other must establish appropriate limits with each other.

7 DUE PROCESS

7.1 Due Process – For any decision made by the exchange that affects a participant, or an applicant to be a participant, including a decision in relation to access, exemptions, or discipline, RTSPL ensures that:

- (a) parties are given an opportunity to be heard or make representations, and**
- (b) it keeps a record of, gives reasons for, and provides for appeals or reviews of its decisions.**

7.1.1 As previously noted, the Rules provide that where appropriate, and in its absolute discretion, RTSPL may refer instances of breaches and suspected breaches of the Rules to the Disciplinary Committee for consideration. Participants will be notified of any such referrals by the Secretary of the Disciplinary Committee as soon as reasonably practicable.

7.1.2 The Platform's procedures allow Participants to be heard and make submissions before being subjected to any final disciplinary measures.

7.1.3 In the first instance, Compliance will investigate the facts of each suspected breach based on the available evidence to the extent possible, seek to understand whether and why the suspected breach occurred and assess any remedial action the Participant has already taken to prevent future similar breaches. Where Compliance believes there has been a serious or repeated breach, and there is no requirement to provide a regulatory referral to a Competent Authority or Law Enforcement Agency, the breach will be escalated to the Disciplinary Committee for further review and potential disciplinary action. The procedures for the Disciplinary Committee, and any appeals from its findings, are provided in the Disciplinary Committee and Appeal Panel Terms of Reference.

7.1.4 In Asia, the Disciplinary Committee consists of a Market Development head, a Legal Counsel, and a Compliance head (or their designated alternates). These people were chosen because they sit in the appropriate time zone, the matters will likely have legal or regulatory consequences, and each individual has sufficient independence from Refinitiv's FX Transactions business to make independent and appropriate decisions.

7.1.5 The Disciplinary ToR outlines the procedure for disciplinary proceedings by the Disciplinary Committee, and the due process rights of Participants with respect to disciplinary proceedings. Following investigation of all the available evidence, Compliance will draft a summary of its findings (**Summary of Findings**). The Summary of Findings will describe the suspected breach(es), summarize the main points of the investigation and detail the evidence that was relied on. The Secretary will then issue a copy of the Summary of Findings to the Participant as soon as is reasonably practicable.

7.1.6 Once the Participant has received the Summary of Findings, they may submit their response to the Secretary. After receiving the Participant's response, the Secretary will make arrangements for a review meeting to be held. If a Participant or their representative does not attend a Review meeting at the agreed time, the Committee will hold the meeting in their absence. Participants (and their legal representatives) may attend by telephone conference or by video conference, as appropriate.

7.1.7 Following the conclusion of a Review meeting, the Committee will notify the Participant in writing of:

- the decision, any applicable sanction and any statement intended for publication
- the reason for the decision; and
- the time limit and procedure for lodging an appeal.

7.1.8 The Rules provide that in the interests of maintaining a fair and orderly market, the Disciplinary Committee may impose any of the following sanctions with respect to any breaches of the Rules at its discretion: verbal warning, written warning, temporary suspension or termination of access to the Platform. The Rules do not provide for fines.

7.1.9 The Disciplinary ToR outlines the procedure for appeals. All appeals against the findings of the Disciplinary Committee must be addressed in writing within five business days of notification of the sanction. On receipt of a Notice of Appeal, the sanction determined by the Committee and decision to publish will be stayed until the Appeal Panel has met.

7.1.10 The Appeal Panel consists of three individuals: a member of Refinitiv's legal counsel group; a senior member of the Business Operations team; and a member of the legal team (or their designated alternates).

7.1.11 The Appeal Panel will review the Appeal and determine, based on a majority decision, whether to uphold, overturn, or vary the decision. Both parties may additionally request a legal adviser to be present.

7.1.12 The Panel will decide whether publication of the findings of the Committee, with or without disclosing the identity of the Participant or User concerned, in part, in summary, or in full, findings of the Committee or the Panel, where it believes that to do so would be of assistance to the market.

7.1.13 Following the conclusion of the Appeal proceedings, a senior member of Refinitiv's legal team will notify the Participant in writing of the decision(s), including any statement intended for publication and the reason for the decision. There is no further right to appeal if a Participant or potential Participant disagrees with the decision of the Appeal Panel.

7.1.14 The sanction and publication (if any) will take effect within ten business days of the date of its issuance. Any deviation of this must be agreed by the Appeal Panel.

7.1.15 Because any failure to complete an investigation in a timely manner would significantly jeopardize the integrity of the Applicant, and because the Disciplinary Committee and Appeal Panel are composed of senior Refinitiv executives, any concerns with respect to the timeliness of the disciplinary process will be known to and addressed at the highest levels of RTSPL and if necessary Refinitiv.

7.1.16 The disciplinary processes described above apply to both QuickTrade and Pricestream on the Platform.

8 CLEARING AND SETTLEMENT

8.1.1 The Rules cover Confirmation, Settlement and Clearing. As a general matter, the Rules confer a high degree of responsibility on Participants with respect to such matters, given that Participants are sophisticated parties who are themselves subject to registration requirements and extensive regulation.

8.1.2 As previously indicated, pursuant to the Rules, Participants themselves are responsible for (i) ensuring the prompt exchange and processing of Transaction confirmations directly with their counterparties in accordance with market practice and (ii) for the post-trade settlement of all executed Transactions bi-laterally, and are responsible for providing one another with any information or documentation that is reasonably required to complete a Transaction.

8.1.3 RTSPL has designed the Rules to ensure that only parties capable of settling transactions of the nature of those carried out through the Platform, and who will have in place robust systems, technology and risk management practices, will have access to the Platform.

8.1.4 For instance, any entity regulated by MAS is subject to the MAS Risk Management Guidelines, which include guidelines with respect to internal controls. Sections 3.11 and 3.12 of the Risk Management Guidelines pertaining to internal controls stipulate that an institution should have in place processes and procedures to ensure prompt confirmation of transactions to facilitate deal authentication and timely detection of transaction errors or unauthorized transactions, and that an institution should establish standard settlement instructions in its systems.

8.1.5 Participants are responsible for ensuring the prompt exchange and processing of Transaction confirmations directly with their counterparties in accordance with market practice. Failure to settle Transactions will constitute a breach of the Rules.

8.1.6 With respect to settlement, Participants are responsible for the post-trade settlement of all executed Transactions bi-laterally, and are responsible for providing one another with any information or documentation that is reasonably required to complete a Transaction.

8.1.7 The Platform's systems provide the ability for Participants to enter settlement instructions that are included in Transaction confirmations sent to counterparties.

8.1.8 Participants must inform RTSPL proactively of any difficulties they are experiencing with settlement with counterparties in respect of Transactions concluded on the Platform. In such instances, Participants must contact the Transactions Frontline Helpdesk to report such difficulties and for further assistance.

8.1.9 Participants may further settle using prime brokerage arrangements as permitted by the Rules.

8.1.10 With respect to clearing, Participants are responsible for ensuring that Transactions are not required to be cleared pursuant to applicable law. If Participants are required or choose to clear a Transaction, they are responsible for making the necessary arrangements.

8.1.11 The Platform is not connected to any clearing house and none of the trades executed by Participants is centrally cleared. In addition, none of the products available for trading through the Platform is subject to mandatory clearing in any of the jurisdictions in which the Platform is or will be operating.

8.1.12 There is no difference in how trades are cleared or settled under QuickTrade or Pricestream on the Platform.

9 SYSTEMS AND TECHNOLOGY

9.1 **Systems and Technology – Each of the Applicant’s critical systems has appropriate internal controls to ensure completeness, accuracy, integrity and security of information, and, in addition, has sufficient capacity and business continuity plans to enable the exchange to properly carry on its business. Critical systems are those that support the following functions:**

- **order entry,**
- **order routing,**
- **execution,**
- **trade reporting,**
- **trade comparison,**
- **data feeds,**
- **market surveillance,**
- **trade clearing, and**
- **financial reporting.**

9.1.1 As a general matter, RTSPL maintains controls used to ensure the proper function, adequate security and capacity of automated RFQ and RFS systems and related systems such as those used for dissemination of market data and recording and safe storage of audit trail information. These controls include periodic, objective testing and the review of automated systems to ensure that these systems are reliable, secure and have adequate scalable capacity.

9.1.2 Because the Platform is an RFQ and RFS facility, many of the specific critical functions listed above are not applicable. However, to the extent they are applicable, RTSPL maintains robust controls to ensure that each function is overseen in a manner consistent with an RFQ and RFS facility of the Platform’s size and importance. With respect to order entry, routing and execution, RTSPL has a reporting structure designed to ensure the technical integrity of the QuickTrade and Pricestream systems. A Product Management head, who is part of a larger Refinitiv Group team, is responsible for overseeing the design of enhancements and changes to the system that are required as a result of either regulatory changes requested by the Compliance Director or client changes requested by those responsible for sales and customer relationships (driven by client feedback). This includes systems and controls for managing

quotation halts, the suspension of financial instruments, pre-trade controls including price and order size checks at order entry, and order throttling. The Refinitiv Group Chief Technology Officer (who will report to the Refinitiv Group Chief Information Officer) is responsible for ensuring that the changes required by the Product Management head are properly implemented.

9.1.3 The Refinitiv Group Chief Technology Officer also liaises with Refinitiv's Product Management head regarding how technical changes to the QuickTrade or Pricestream systems are implemented and is involved in technical remediation where issues occur with the operation of the QuickTrade or Pricestream systems.

9.1.4 The Trading Technology head is responsible for the day-to-day operations of the trading system which includes accountability and responsibility for, among other things:

- the delivery of all technical changes to the QuickTrade and Pricestream systems;
- on-going operation of the QuickTrade and Pricestream systems; and
- management of operational and outsourcing risk.

9.1.5 With respect to trade reporting, the Platform is not subject to trade reporting requirements. As an RFQ and RFS facility, the Platform takes no part in post-trade comparison or affirmation. All trades are required to be bilaterally settled between the counterparties.

9.1.6 With respect to market data feeds, Refinitiv operates robust controls for ensuring the continued provision of this data and has fail-over procedures in place to ensure that the data feeds can be brought back on line quickly in the event of a disruptive incident.

9.1.7 With respect to market surveillance, RTSPL leverages the Surveillance Review Team, who assist the Compliance Director with identifying and where necessary reporting any potential instances of market abuse.

9.1.8 The purpose of the Surveillance Review Team is to review investigations, add market expertise, and discuss whether to submit a suspicious transaction report. However, it is the Compliance Director who makes a Suspicious Transaction and Order Report and is also responsible for considering whether there may be other issues relating to money laundering or fraud. The Surveillance Review Team provides the Compliance Director with a forum to canvass the views of other Group experts who may have previously encountered a similar situation. The Surveillance Review Team includes a number of members with different key roles, including: (i) Surveillance Analysts; (ii) a Trading Behaviour and Rules Manager; and (iii) Compliance Directors in RTSPL and in Refinitiv, including RTSPL's Compliance Director.

9.1.9 With respect to clearing, as noted in Section 8 above, the Applicant does not engage in clearing.

9.1.10 With respect to financial reporting, certain financing reporting and audit functions are outsourced to the wider Refinitiv Group, as detailed under Section 2.1 above. This is done in order to leverage efficiencies within the wider Refinitiv Group and ensure that sufficient resources are devoted to financial reporting.

9.1.11 Apart from controls pertaining to the specific critical functions noted above, on an information technology level, RTSPL adopts principles and elements of practice from industry IT control and risk management frameworks across its critical functions, including elements based on the ISO 27001 framework to manage the business risks arising from the use of information technology and change management in support of its critical business processes.

9.1.12 The IT risk management program strives to:

- protect RTSPL systems and customer information at a level commensurate with its value;
- enable secure access to information resources;
- collaborate with RTSPL business management team to nurture a strong culture of IT risk management;
- balance the cost of developing and deploying a solution with the risk the solution mitigates; and
- comply with corporate information security policies, standards and relevant regulations.

9.1.13 IT compliance focuses on critical business environments, business applications, information systems and networks. The Refinitiv IT compliance role is part of the Information Security Risk Management function, which reports to the Chief Information Security Officer (CISO) and regularly provides input reporting to the RTSPL Risk Committee. The RTSPL Information Security Office employs dedicated experienced staff with certifications from ISACA. In the course of performing audits, FXall also contracts an independent and licensed certified public accountant (CPA) and Public Company Accounting Oversight Board (PCAOB) registered firm for the audit of Service Organization Controls (**SOC**) for FXall. The scope of the audits includes:

- SOC 1 examination, which assesses the internal control over financial reporting; and
- SOC 2 examination, which reports information and the CPA firm's opinion about controls relevant to security, availability, processing integrity, confidentiality and privacy.

9.1.14 As a general matter, because trades are settled outside of the Platform, the onus of ensuring settlement is supported by adequate and reliable systems rests on Participants. However, RTSPL understands that its customers require a quotation environment in which counterparties can be relied on and maintain appropriate and reliable systems to settle trades for which quotations are provided through the Platform. For this reason, the Rules state that Participants must have adequate and appropriate Order management, execution and settlement arrangements in place at all times. The Platform monitors adherence to the Rules annually using a risk-based approach, including on-site inspections of participants' systems where deemed necessary, and questionnaires designed to test the participant's adherence to the Rules.

9.1.15 While there is no direct requirement that Participants regularly test their backup equipment, the Applicant makes available conformance test environments that allow Participants to test their critical systems. Insofar as Participants are required to maintain adequate books and records, the Applicant expects Participants to test their backup systems as appropriate.

9.1.16 The Rules require Participants accessing the Platform via an application programming interface (API) to test their systems prior to the deployment of a change to their systems. The Platform provides an integration environment in which participants may test their connectivity and the functioning of their systems for this purpose; access to the integration environment is managed on a scheduled basis.

9.1.17 The technology and systems set out above apply to both QuickTrade and Pricestream on the Platform.

9.2 System Capability/Scalability - Without limiting the generality of section 9.1, for each of its systems supporting order entry, order routing, execution, data feeds, trade reporting and trade comparison, RTSPL:

(a) makes reasonable current and future capacity estimates;

(b) conducts capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner;

9.2.1 In order to ensure adequate capacity and performance planning for RFQ and RFS activity, the Platform employs a process of determining the production capacity needed by monitoring usage trends and peaks, which can trigger follow-up actions for increasing capacity where there are indications that established thresholds are being exceeded. Additional resources are typically triggered at certain thresholds of capacity at face value. The results and remediation are reported monthly to the Refinitiv operating committee. RTSPL undertakes capacity stress tests to ensure systems can adequately process transactions.

9.2.2 Performance testing uses a combination of obfuscated production data and synthesized load.

9.2.3 In regards to software releases, RTSPL has developed a system testing approach. This approach is designed to control the commencement of development pending the sign-off by all stakeholders to agree the requirements are clear, scope is defined and quality risks are known and understood and that regression testing of existing capabilities are considered and included as necessary whatever the change. Each phase of the testing has key auditable outputs and reporting is required as to what testing has been executed, how it compares with the originally planned testing and what the results/outcomes were.

9.2.4 The Platform undergoes capacity stress tests several times per year. The results are reported internally, and where failures occur, including where a requirement for additional capacity provision is indicated, an escalation occurs to the Franchise Risk Committee and the Compliance team. Compliance have at least quarterly meetings with senior individuals in the business and technology staff to review the controls, including those of the Platform. Capacity conditions will be discussed along with any anticipation of expansion requirements. RTSPL's Board will be notified of any change requests via standing meetings.

9.2.5 In order to track the reliability of the Platform and ensure that systemic issues are adequately responded to, Refinitiv categorizes outages according to their severity. The categories are as follows:

- Severity 1: In a Severity 1 outage, there is a loss of service for multiple users, or business-critical emergency situation in which both primary and any standby systems produce incorrect results, fail catastrophically or are otherwise rendered inoperable and in which all or multiple end users and experiencing the same failure.
- Severity 2: In a Severity 2 outage, elements of Refinitiv service affecting multiple end users simultaneously is inoperative, which results in loss of content, functionality or degraded performance, but where a temporary workaround is available.
- Severity 3: A Severity 3 outage is non-service-affecting. Such outages include issues related to content and search explanation questions, functionality and how-to

questions, and non-service-impacting requests, product enhancements, and routine maintenance.

(c) reviews the vulnerability of those systems and data centre computer operations to internal and external threats, including physical hazards and natural disasters;

9.2.6 Refinitiv uses industry-leading commercial Vulnerability Management (**VM**) to help automate the lifecycle of network auditing and VM. Per Refinitiv's Information Security Risk Management Policy, Refinitiv's Information Security Risk Management team supports a vulnerability scanning and policy compliance service which can be used by product and technology teams for internal or external vulnerability scanning and configuration compliance.

9.2.7 Refinitiv uses two, fully-equipped datacentres in geographically separate locations. The Primary Data Centre is located in New Jersey and the Secondary Data Centre is located in Virginia.

9.2.8 In the event of a physical or natural disaster, the business continuity plan (**BCP**) provides that the data centre facilities have contingencies in place to keep the infrastructure functioning. To maintain power availability, high-capacity, redundant generators are used that guarantee power availability even during regional power outages. In addition, the datacentres are built on raised floors and have high-volume, zoned temperature and humidity control systems which are monitored on a 24/7 basis. The datacentres are equipped with state-of-the-art HVAC units to maintain availability and have industrial-grade smoke detectors and leak detection systems.

(d) ensures that safeguards that protect a system against unauthorized access, internal failures, human errors, attacks and natural catastrophes that might cause improper disclosures, modification, destruction or denial of service are subject to an independent and ongoing audit which should include the physical environment, system capacity, operating system testing, documentation, internal controls and contingency plans;

9.2.9 Refinitiv's Information Security Risk Management Policy is established upon an information security framework which uses an information security management system to guide the implementation, operation and continuous improvement of policies, standards and practices which are applicable to its IT operations.

9.2.10 Refinitiv's Information Security Risk Management Policy is endorsed by the Executive Committee and outlines the security principles applying to RTSPL's people, processes, and technology that address all aspects of the service delivery. These policies and standards are regularly reviewed to take into account evolving technical risks as well as regulatory changes and RTSPL customers' needs for information security.

9.2.11 The Information Security Handbook outlines the policies, guidance and best practices all employees should follow to protect Refinitiv's assets, employee information and customer data. On an annual basis, all employees are required as mandatory to review the Information Security Handbook and to complete an assessment, as part of the RTSPL learning strategy to ensure that everyone understands and complies with the policy. The Platform's systems are classified as Business Critical and the data is classified as Strictly Confidential and is therefore subject to data confidentiality protections. Customer information is stored on the servers in the data centre and is accessible via business application to authorized personnel on a need to know basis with least privileges granted.

9.2.12 FXall utilizes security software to perform application security penetration tests and code review. The objectives of the review are to find security vulnerabilities, validate the proper use of security mechanisms, and evaluate the use of best practices in the application. The

software uses a combination of source code analysis and manual penetration testing to identify the issues in the application. The software analyzes the application's security mechanisms for architecture, implementation, and configuration issues. In addition, the software searches the application for vulnerabilities common to similar applications.

9.2.13 FXall uses a solution for application security scans to identify security flaws using automated static, automated dynamic and/or manual security analysis techniques. FXall has integrated this security review into its Software Development Life Cycle (SDLC) to improve security posture. From the application security scans, identified risks ranked high and above are prioritized for remediation and require a security re-scan to validate the fixes. The vulnerability findings are reviewed and validated by security personnel, distributed to system owners as appropriate and material risk items are tracked for remediation through the trouble ticketing system. Issues with a medium risk or below are remediated after the threat has been reviewed, and no adverse business impact determined.

(e) ensures that the configuration of the system has been reviewed to identify potential points of failure, lack of back-up and redundant capabilities;

9.2.14 Please refer to section (g) below.

(f) maintains reasonable procedures to review and keep current the development and testing methodology of those systems; and

9.2.15 Refinitiv adopts compliance requirements and industry standard system development life cycle (SDLC) concepts and practices. The development team is responsible for system design and development. Upon completion, the development team performs full functional testing of the system before formally handing it over to the Quality Assurance Team (the **QA Team**). The QA Team reviews the system upon formal hand-over from the development team. If acceptable to the QA Team, the system is subject to the team's own independent testing. Quality Assurance (**QA**) testing focuses on functionality, security and performance. Issues uncovered during QA are documented and tracked for resolution. Additionally, where there is a regulatory requirement being included in the software update, the Compliance Group also performs a review and approval.

9.2.16 Upon passing QA, the system is promoted to Refinitiv's integration environment where it is subject to testing. The application support team then determines when the system under testing in the integration environment is ready for production release with formal sign-off.

9.2.17 RTSPL reviews the configuration of its systems as part of its regular control procedures and conducts reviews as needed when issues are identified and resolved through its internal protocols. Configuration management is also the subject of internal audits and is also included in disaster recovery tests.

9.2.18 IT reviews and keeps current development and testing methodology of the systems pursuant to Refinitiv's internal processes.

9.2.19 The BCP is designed to allow for the recovery and resumption of operations and the fulfilment of the duties and obligations of RTSPL following a disruption.

9.2.20 RTSPL performs its own and validates IT's periodic tests to verify that the resources outlined in the BCP are sufficient to ensure continued fulfilment of all duties of RTSPL under MAS guidelines. See (g) below for further information on business continuity and disaster recovery plans.

(g) maintains reasonable back-up, contingency and business continuity plans, disaster recovery plans and internal controls.

9.2.21 RTSPL has well developed, co-ordinated and rehearsed business continuity plans for all of its service offerings, as outlined in the BCP.

9.2.22 RTSPL is subject to the [MAS Technology Risk Management Guidelines](#). While these Guidelines are not legally binding, MAS states that the degree of observance with the spirit of them by a financial institution is an area of consideration in the risk assessment of the financial institution by MAS.

9.2.23 Among other things, the Guidelines encourage financial institutions to establish roles and responsibilities for directors and senior management with respect to IT risk and adopt an IT risk management framework.

9.2.24 RTSPL's Compliance Manual states that it is required to put in place a framework and process to identify critical systems and make all reasonable efforts to ensure that the maximum unscheduled downtime for each critical system that affects RTSPL's operations or service to its customers does not exceed a total of four hours within any period of 12 months.

9.2.25 The Compliance Manual provides that RTSPL must establish a recovery time objective of not more than four hours for each critical system, and must validate it by testing and documenting at least once every 12 months that system recovery satisfies this condition.

9.2.26 The Compliance Manual further provides that RTSPL must notify MAS as soon as possible, but not later than one hour, upon the discovery of a relevant incident. RTSPL shall also, within 14 days or such longer period as the MAS may allow, submit a root cause and impact analysis report outlining the incident.

9.2.27 Appropriate IT controls are also implemented to protect customer information from unauthorized access or disclosure.

9.2.28 The requirements of the Compliance Manual with respect to business continuity are given effect by means of the BCP.

9.2.29 The BCP states that in many disaster scenarios, the continued availability of the Platform is doubtful. Management assumes that there is a possibility there will be service interruptions. However, RTSPL seeks through planning and the provisioning of redundant locations with duplicated systems and communications services to keep such service interruptions to a minimum.

9.2.30 By the use of multiple, fully-equipped datacentres in geographically separate locations, RTSPL gains the flexibility to operate from either location as a live production environment. In addition to hosting a disaster recovery environment, one datacentre hosts a QA environment, where the RTSPL development team can test new releases of the FXall software, perform performance and capacity testing, and debug existing client reported issues.

9.2.31 A key element in Refinitiv's planning is data replication. Critical data—that is, information essential to FXall's continued operation—is replicated in an automated manner in near real time or on a regular and frequent basis, between distinct and separate systems located in geographically separated areas.

9.2.32 The BCP provides for two types of recovery strategies: near-site recovery and far-site recovery. A near-site business continuity approach involves remote working by staff from the

impacted site. Far-site continuity involves shifting work load to alternate region site staff. The BCP also provides for procedures in the event of equipment failure in a datacentre.

9.2.33 The BCP establishes procedures and relevant contacts for each step that may need to occur in the event of a failure.

9.2.34 Data backup is performed via tape backups at the datacentres. On a periodic basis, tapes from certain datacentres are removed to a remote site for archival and off-site storage. Data restoration from tape is tested monthly.

9.2.35 With respect to backups, asynchronous data replication is in place between the databases at the live site and the databases at the Disaster Recovery site. The live database is also extremely resilient, with a local backup server with separate storage. Backup to this backup server uses a combination of full and incremental backup strategies. Logging of trade data is not limited to the database component but is also captured at the gateway and network level. These could be used to reconstruct lost data in the unlikely event of the database resilience failing. Key trade data is written to a global message bus. The messages are stored in message repositories, which are remote from the Platform's trading segments.

9.2.36 The systems and controls described in Section 9.2 above apply to trading through both QuickTrade and Pricestream on the Platform.

9.3 Information Technology Risk Management Procedures – The Applicant has appropriate risk management procedures in place including those that handle trading errors, trading halts and circuit breakers.

9.3.1 Monitoring applications are in place to help ensure that RFQ and RFS application and system anomalies are detected. Appropriate personnel will investigate, escalate as necessary, and resolve identified errors in accordance with documented policies and procedures that are in place to guide personnel in resolving the errors that are detected. Policies and procedures are also in place to guide personnel in dealing with the disruption of RFQ and RFS activity due to the loss of network connectivity. Customers are also able to monitor their RFQ and RFS activities as they have access to the reporting portal where they can generate reports and view such activity.

9.3.2 Refinitiv implements controls to help ensure that systems are maintained and available. Service-level agreements (SLAs) are in place with third party service providers (i.e. datacentre hosting and managed network service providers) to define expected performance levels and ensure that Refinitiv is able to maintain system availability for its customers. IT operations personnel utilize enterprise monitoring applications to monitor the performance of servers and network devices. These applications are configured to generate onscreen alerts and e-mail notifications to the operations team when predefined thresholds are exceeded. IT operations personnel will investigate the notifications and use documented procedures to respond to issues and outages.

9.3.3 Reported incidents are logged in a tracking system to document, escalate, and resolve the incidents according to documented policies and procedures. Procedures are in place to ensure that appropriate personnel respond to reported incidents in a timely manner. A review of application functionality is completed on a regular basis to verify that applications are functioning correctly and to identify any possible issues that were not previously reported.

9.3.4 The information technology risk management procedures described in Section 9.3 above apply to trading through both QuickTrade and Pricestream on the Platform.

10 FINANCIAL VIABILITY AND REPORTING

10.1 Financial Viability – RTSPL has sufficient financial resources for the proper performance of its functions and to meet its responsibilities.

10.1.1 The Applicant has adequate financial resources to carry on its activities in full compliance with its regulatory requirements and with best practices. RTSPL has paid-up capital in excess of the regulatory requirement for an RMO. The Applicant assesses its financial resources on at least a quarterly basis. The results of this assessment are reported to the MAS as part of the MAS's license approval conditions.

10.1.2 The Applicant has been granted a transitional period until June 1, 2021 when capital requirements will be increased. The Applicant does not foresee any issues in complying with the new capital requirements.

11 TRADING PRACTICES

11.1 Trading Practices - Trading practices are fair, properly supervised and not contrary to the public interest.

11.1.1 The Platform has transparent and non-discretionary rules and procedures for fair and orderly trading and objective criteria for the efficient execution of Orders, and may undertake a number of actions in order to maintain orderly and proper markets from time to time. Taken together, these rules and procedures ensure that trading practices are fair, properly supervised, and not contrary to the public interest.

11.1.2 The Rules prohibit abusive conduct.

11.1.3 The Applicant monitors Participants' activity on the Platform to identify breaches of compliance with the Rules, including identifying disorderly trading conditions or abusive conduct (as defined in the Rules). The Applicant will comply with its regulatory obligations to report suspicious activity to the relevant Competent Authority or Law Enforcement Agency. Furthermore, Participants must report actual or suspected Rule breaches, whether accidental or otherwise, to the designated market conduct email address providing all relevant information in a timely manner to enable the matter to be investigated. This obligation is in addition to any obligations Participants have to make a Suspicious Transaction and Order Report to relevant Competent Authorities themselves where they reasonably suspect that an Order(s), or a Transaction(s) (or a pattern thereof) might be indicative of Market Misconduct, including insider dealing or market manipulation.

11.1.4 Participants must also cooperate with the Applicant, and MAS, as applicable, and any other relevant Competent Authority or Law Enforcement Agency in any regulatory investigation, including facilitating the monitoring of compliance with conduct rules, in an open and honest manner and promptly provide either soft or hard copies of data or records upon request. The Applicant has a regulatory obligation to report significant breaches of the Rules, disorderly trading conditions and suspicions of Market Abuse to MAS and any other relevant Competent Authority or Law Enforcement Agency, and will assist any Competent Authority or Law Enforcement Agency in any investigation of Market Abuse or fraudulent conduct as requested.

11.1.5 RTSPL may at any time revoke, suspend, limit conditions, restrict or qualify a Participant or User's ability to access the Platform where required to do so under applicable law or regulation or if, in the sole discretion of RTSPL, such action is in the best interests of the Platform.

11.1.6 The Rules, policies and procedures described in Section 11.1 above apply to trading through both QuickTrade and Pricestream on the Platform.

11.2 Orders - Rules pertaining to order size and limits are fair and equitable to all market participants and the system for accepting and distinguishing between and executing different types of orders is fair, equitable and transparent.

11.2.1 As a general matter, subsection 33(1)(h) of the SFA requires that RMOs maintain governance arrangements that are adequate for their organized markets to be operated in a fair, orderly and transparent manner.

11.2.2 Under the Rules, Participants are required to implement their own pre- and post-trade controls.

11.2.3 Participants must ensure that all Orders are made with a clear and genuine intent to trade and that all Orders are entered correctly.

11.2.4 Participants using algorithmic trading strategies to access the Platform must monitor the algorithms to ensure compliance with the Rules and prevent disorderly trading conditions and abusive market behaviour. They must also report system malfunctions or breaches to the designated market conduct email address.

11.3 Transparency – RTSPL has adequate arrangements to record and publish accurate and timely trade and order information. This information is provided to all participants on an equitable basis.

11.3.1 The Rules set out various requirements pertaining to record keeping which are discussed in further detail under Section 13 below.

11.3.2 Unlike with a traditional marketplace, order details for both QuickTrade and Pricestream are not widely known beyond the Taker, the Makers and only the selected Maker for the completed transaction. Trading interests are not widely displayed as in a standard marketplace. However, such information is available to those parties involved in the transactions. All Participants have access to post-trade reports for their own trades which can be accessed via each Participant's MyRefinitiv account. The Applicant holds records of executed transactions for a period of seven years. MAS does not have pre- or post-trade transparency rules for RMOs.

11.3.3 Additionally, each Participant has access to pricing within the user interface. Participants can access indicative pricing within FXall which shows the average market price to all Participants. When Participants want to trade using RFQ, they also receive dynamic live pricing from counterparties with which they have relationships. Participants also reconcile trades that they have undertaken with the indicative pricing at the time of the trade. As a result, Participants have full pricing transparency and the Platform meets the requirement noted above.

11.3.4 When Participants want to trade using Pricestream, prices are continuously streamed so Participants are not required to request a quote to determine what the current market price is. Using Pricestream, Participants have access to indicative market data to correlate against prices that are being streamed. Pricing, however, can vary depending on various factors such as volume, trade size and relationships.

12 COMPLIANCE, SURVEILLANCE AND ENFORCEMENT

12.1 Jurisdiction - RTSPL or the Foreign Regulator has the jurisdiction to perform member and market regulation, including the ability to set rules, conduct compliance reviews and perform surveillance and enforcement.

12.1.1 MAS has the power to regulate RTSPL as an RMO pursuant to the SFA. See Section 6.1(b) regarding ensuring compliance with applicable legislation.

12.1.2 Failure to adhere to the Rules may result in the Applicant imposing one of the following sanctions in accordance with the Rules: a verbal warning; a written warning; a temporary suspension; or a termination of access to the Platform.

12.1.3 In addition, MAS may sanction Participants for conduct prohibited under the SFA, including fraud and market manipulation.

12.2 Member and Market Regulation – RTSPL or the Foreign Regulator maintains appropriate systems, resources and procedures for evaluating compliance with exchange and legislative requirements and for disciplining participants.

12.2.1 MAS maintains adequate systems, resources and procedures to ensure that any organized market operated in Singapore is properly supervised and participants are properly disciplined if necessary.

12.2.2 The annual financial statements of MAS can be viewed on the [relevant section of MAS's website](#).

12.2.3 MAS has a well-defined departmental structure, which is outlined in further detail in the [relevant section of MAS's website](#). These departments include the Markets Policy and Infrastructure Department, which has supervisory responsibility for markets and infrastructures including central counterparties and trade repositories. This department formulates and implements policies in relation to markets and infrastructures, as well as market and business conduct policies to achieve fair outcomes for depositors, investors and policyholders. It is also responsible for formulating MAS's positions on competition issues and corporate governance standards.

12.2.4 These departments also include the Enforcement Department, which aims to uphold the integrity of Singapore's financial markets by deterring unlawful and improper conduct through effective surveillance and enforcement. It investigates and enforces breaches of the laws administered by the MAS, including the SFA. The Enforcement Department also jointly investigates market misconduct offences under Part XII of the SFA with the Commercial Affairs Department of the Singapore Police Force, fronts MAS's work on IOSCO Screening Group and Committee 4 on Enforcement and the Exchange of Information and provides assistance to overseas regulators under the IOSCO Multilateral Memorandum of Understanding. As part of its mandate, the Enforcement Department also employs digital forensics, market surveillance and data analytics to support its investigative and enforcement work.

12.2.5 MAS has the power to impose both civil and criminal penalties on Participants who engage in activities prohibited under Part XII of the SFA, including fraud and market manipulation.

12.2.6 At the level of the Platform, RTSPL devotes significant resources to monitoring Participants' activity on the Platform to identify breaches of compliance with the Rules, including identifying disorderly trading conditions or abusive conduct. These resources include the

Compliance Director, who reports directly to the Board, as well as the wider resources available at the Refinitiv Group level.

12.2.7 The Rules provide for a system to monitor and investigate compliance with exchange and legislative requirements, and if appropriate, discipline Participants. See Sections 11.1.3 and 11.1.4 for a description of this system.

12.2.8 Where appropriate, and in its absolute discretion, the Applicant may refer instances of breaches and suspected breaches of the Rules to the Disciplinary Committee for consideration. As noted above, failure to adhere to the Rules may result in the Applicant imposing one of the following sanctions in accordance with the Rules: a verbal warning; a written warning; a temporary suspension; or a termination of access to the Platform.

12.2.9 As indicated under Section 6.1.8 above, the Market Misconduct Policy states that RTSPL is required to report orders and transactions, including any cancellation or modification thereof, that could constitute insider trading, market misconduct, attempted insider trading, or any other suspicious transaction or incident of fraud, to the Singapore police, MAS and/or other relevant authorities.

12.3 Availability of Information to Regulators - RTSPL has mechanisms in place to ensure that the information necessary to conduct adequate surveillance of the system for supervisory or enforcement purposes is available to the relevant regulatory authorities, including the Commission, on a timely basis.

12.3.1 As discussed in greater detail above, the Rules state that the Applicant will monitor Participants' activity on the Platform to identify breaches of compliance with the Rules, including identifying disorderly trading conditions or abusive conduct. See Sections 11.1.3 and 11.1.4 above for further descriptions of such Rules.

12.3.2 Under Section 34 of the SFA, RTSPL is required to inform MAS of certain matters, including if it becomes aware of any financial irregularity or other matter which in RTSPL's opinion (i) may affect its ability to discharge its financial obligations; or (ii) may affect the ability of a participant in the Platform to meet its financial obligations to RTSPL.

12.3.3 As previously noted, the Rules require that Participants provide any information, data, records or audit trails requested by the Applicant in connection with an investigation into a breach of the Rules.

12.3.4 Participants must cooperate with the Applicant, MAS, as applicable, and any other relevant Competent Authority or Law Enforcement Agency (which will include the OSC with respect to an Ontario Participant) in any regulatory investigation, including facilitating the monitoring of compliance with conduct rules, in an open and honest manner and promptly provide either soft or hard copies of data or records upon request.

13 RECORD KEEPING

13.1 Record Keeping – RTSPL has and maintains adequate systems in place for the keeping of books and records, including, but not limited to, those concerning the operations of the exchange, audit trail information on all trades, and compliance with, and/or violations of exchange requirements.

13.1.1 The Rules state that as a matter of best practice, Participants should keep records of their Order and Transaction activity adequate to meet compliance with their regulatory record keeping obligations. RTSPL recommends Participants maintain those records for a minimum of five years.

13.1.2 RTSPL maintains records of all Transactions effected through the Platform, and of all telephone conversations between Participants and the Helpdesk. These records are kept for a minimum of seven years. The retention period commences on the date that the record is created. The Rules further require that Participants are required to maintain activity record, continuing for a period of five years from the record date, irrespective of the date access to the Platform is terminated.

13.1.3 In addition, section 36 of the SFA requires that an RMO maintain a record of all transactions effected through its organized market in accordance with the SFA Regulations. The SFA Regulations require that in the case of any relevant book, RMOs must keep records until at least five years after the last date of the expiry or termination of a contract, an agreement or a transaction to which the book relates in the case of any information, until at least five years after the date of the expiry or termination of the contract, agreement or transaction to which the information relates. The Applicant applies these recordkeeping requirements to trades that occur through QuickTrade and Pricestream on the Platform.

14 OUTSOURCING

14.1 Outsourcing – Where RTSPL has outsourced any of its key services or systems to a service provider, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations, and that are in accordance with industry best practices.

14.1.1 RTSPL maintains an outsourcing policy (the **Outsourcing Policy**). The Outsourcing Policy contains numerous obligations with respect to outsourcing, including:

- an obligation to adopt a sound and responsive outsourcing risk management governance framework;
- obligations to perform due diligence on a service provider;
- obligations with respect to the monitoring and control of the outsourcing arrangement (and/or on any material subcontractors);
- obligations with respect to the contents of outsourcing agreements; and
- audit and inspection obligations.

14.1.2 In addition to the Outsourcing Policy, RTSPL's outsourcing arrangements must comply with the [MAS Guidelines on Outsourcing](#) and any relevant written directions, notices, codes and guidelines issued by MAS from time to time.

14.1.3 The MAS Guidelines on Outsourcing state that MAS will review the implementation of these Guidelines by an institution to assess the quality of its board and senior management oversight and governance, internal controls and risk management.

14.1.4 The Outsourcing Policy requires that when engaging in outsourcing, RTSPL's agreements contain provisions to address the following regulatory themes required by the MAS Guidelines on Outsourcing:

- Scope of Outsourced Services;
- Subcontracting;
- Performance Standards;

- Confidentiality & Security;
- Termination & Early Exit;
- Contract Renegotiation;
- Dispute Resolution & Law;
- Business Continuity Management;
- Audit and Inspection;
- Access to Data and Business Premises;
- Notification of Adverse Developments; and
- Regulatory Cooperation.

14.1.5 To implement its operating model, RTSPL has entered into certain outsourcing arrangements. All outsourcing arrangements are reviewed for conformity with the Outsourcing Policy and the MAS Guidelines On Outsourcing. In particular, RTSPL has procured:

- the provision of technology, networks, applications, customer administration centres, help desk and/or other related services (including day-to-day services such as accounting, human resources, legal, tax, compliance and IT support) from Financial & Risk Organisation Limited (incorporated in the UK). The provision of these services is governed by a Transactional Services Technology Agreement; and
- marketing assistance and support from Thomson Reuters Corporation Pte. Ltd. (incorporated in Singapore). The provision of these services is governed by a Marketing Support Services Agreement. RTSPL will also have similar Marketing Support Services Agreements with other Refinitiv Group companies in locations where it sells the Platform, such as in Australia and Hong Kong.

14.1.6 The Outsourcing Policy, MAS Guidelines on Outsourcing and outsourcing arrangements described above in Section 14 apply to both QuickTrade and Pricestream.

15 FEES

15.1 Fees

- (a) All fees imposed by the Applicant are reasonable and equitably allocated and do not have the effect of creating unreasonable conditions or limit on access by participants to the services offered through the Platform.**

15.1.1 See 15.1(b) immediately below.

- (b) The process for setting fees is fair and appropriate, and the fee model is transparent.**

15.1.2 The fees are specified in the FXall RFQ Liquidity Provider Rate Card (the **Rate Card**), which is made available to Participants on application. The Rate Card applies to all Refinitiv FXall QuickTrade RFQ products offered by Refinitiv and applies to all Participants equally. A separate rate card exists for Pricestream.

15.1.3 The fee structure is standard for a service of this type. The Applicant offers three pricing plans, which are available to all Makers.

15.1.4 Fees are set by the Board and reviewed from time to time. MAS does not regulate fees, and accordingly fees are dictated by competitive pressures and the costs of providing a service of this nature, scale, and complexity.

16 INFORMATION SHARING AND OVERSIGHT ARRANGEMENTS

16.1 Information Sharing and Regulatory Cooperation – RTSPL has mechanisms in place to enable it to share information and otherwise co-operate with the Commission, self-regulatory organizations, other exchanges, clearing agencies, investor protection funds, and other appropriate regulatory bodies.

16.1.1 The Chief Executive Officer of RTSPL warrants to inform OSC Staff promptly if any representations made in connection with this application for RTSPL's exemption from registration cease to be true or correct in any material respect, or become incomplete or misleading.

16.1.2 As noted under Section 12.3 above, the Rules state that RTSPL has a regulatory obligation to report material Rules breaches, disorderly trading conditions and suspicions of Market Misconduct to MAS and any other relevant Competent Authority or Law Enforcement Agency charged with the detection or investigation of a criminal offence. RTSPL will also assist any investigation as requested and may disclose any information, data or documents received from any Participant in connection with its use of FXall to any Competent Authority or Law Enforcement Agency for these purposes. Such investigations include investigations initiated by the OSC.

16.1.3 RTSPL has an obligation under section 34 of the SFA to notify MAS as soon as practicable upon the occurrence of certain events. These events include becoming aware of any financial irregularity or other matter which in its opinion may affect its ability to discharge its financial obligations, or may affect the ability of a participant of the RMO to meet its financial obligations to the RMO.

16.1.4 As previously noted, section 38 of the SFA requires that RMOs furnish such assistance to MAS as it may require for the performance of its functions and duties, including books and records in respect of any product or class of products traded on the organized market of the RMO.

16.2 Oversight Arrangements – Satisfactory information sharing and oversight agreements exist between the Ontario Securities Commission and the Foreign Regulator.

16.2.1 The OSC and MAS are both signatories of the Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information of the International Organization of Securities Commissions dated May 2002, as revised in May 2012, which sets forth the signatory authorities' intent with regard to mutual assistance and the exchange of information for the purpose of enforcing and securing compliance with the respective laws and regulations of the jurisdictions of the signatory authorities.

16.2.2 RTSPL expects that if the Requested Relief is granted, as part of its terms and conditions, there will be appropriate reporting requirements prescribed by the OSC.

17 IOSCO PRINCIPLES

17.1 IOSCO Principles – To the extent it is consistent with the laws of the foreign jurisdiction, RTSPL adheres to the standards of the International Organization of Securities Commissions (IOSCO) including those set out in the “Principles for the Regulation and Supervision of Commodity Derivatives Markets” (2011).

17.1.1 The Platform and the Applicant adhere to the IOSCO principles by virtue of the fact that it must comply with rules and regulations imposed by MAS, which reflect the IOSCO standards. MAS is a member of IOSCO and contributes to IOSCO’s policy and standard setting work through participation in the various Standing Committees and Task Forces.

17.1.2 The Applicant adheres to the IOSCO principles set out in the “Objectives and Principles of Securities Regulation” (2003) applicable to exchanges and trading systems. FXall maintains operations to achieve the following:

- ensure the integrity of trading through fair and equitable rules that strike an appropriate balance between the demands of different market Participants;
- promote transparency of trading;
- detect and deter manipulation and other unfair trading practices; and
- ensure proper management of large exposures, default risk and market disruption.

Part III Submissions by RTSPL

Submissions Concerning Relief

- 1 The instruments for which the Applicant seeks approval for Ontario Participants to trade through the Platform fall under the definition of “derivative,” as set forth in subsection 1(1) of the Act, with the exception of FX Spot.
- 2 While the Platform does not constitute a traditional marketplace contemplated under the definition in subsection 1(1) of the Act, the Platform broadly satisfies the requirements of a “marketplace” because, as an RFQ and RFS facility, it brings together buyers and sellers of derivatives and uses established, non-discretionary methods under which orders interact with each other.
- 3 As an RFQ and RFS platform, the Platform should not be considered a commodity futures exchange. The instruments traded through the Platform are not “commodity futures contracts” within the meaning of the *Commodity Futures Act (Ontario)* insofar as they are commodity futures, because such instruments are not entered into on the Platform pursuant to “standardized terms and conditions” contained in the by-laws, rules or regulation of RTSPL, pursuant to which the instruments are traded.
- 4 An “exchange” is not defined under the Act. However, subsection 3.1(1) of the Companion Policy to National Instrument 21-101 — *Marketplace Operation* provides that a “marketplace” is considered to be an “exchange” if it, among other things, sets requirements governing the conduct of marketplace participants. The Platform has certain obligations to monitor Participants’ trading activity and surveils the trading activity of Participants.
- 5 Pursuant to OSC Staff Notice 21-702 — *Regulatory Approach for Foreign-Based Stock Exchanges*, the Commission considers an exchange located outside Ontario to be carrying on

business as an exchange in Ontario if it provides Ontario Participants with direct access to the exchange.

- 6 The Applicant understands that since the Applicant provides Ontario Participants with direct access to quotation of certain FX instruments through the Platform it will be considered by the Commission to be “carrying on business as an exchange” in Ontario, and therefore must either be recognized or exempt from recognition by the Commission.
- 7 The Applicant submits that an exemption from recognition is appropriate for the Platform because the Applicant is subject to regulation by MAS and full regulation by the Commission would be duplicative and inefficient. In addition, the Platform provides certain Ontario Participants with significant access to liquidity for which, at least for certain types of transactions, there is no appropriate alternative platform. The consequence of the Requested Relief not being granted would be loss of access to the Platform for the Ontario Participants which would reduce their access to liquidity and therefore Ontario capital markets will be disrupted if the Requested Relief is not granted.
- 8 As the Applicant is directly regulated by MAS, both Quicktrade and Pricestream will be effectively subject to regulation by MAS.
- 9 The Applicant understands that this application will be reviewed and discussed with Staff and that it will be published, along with a draft order, for a 30-day comment period.
- 10 Based on the foregoing, we submit that it would not be prejudicial to the public interest to grant the Requested Relief.

Similar Relief has been Granted

- 11 RTSPL notes that exemptive relief similar to the Requested Relief has been granted by the OSC in: (i) *In the Matter of ICE Futures* (September 1, 2006); (ii) *In the Matter of BGC Derivative Markets, L.P.* (October 1, 2013); (iii) *In the Matter of Nodal Exchange, LLC* (October 7, 2014); (iv) *In the Matter of 360 Trading Networks* (June 13, 2016); (v) *In the Matter of OneChicago, LLC* (October 14, 2016); (vi) *In the Matter of the London Metal Exchange* (December 21, 2018); (vii) *In the Matter of State Street Global Markets International Limited* (April 24, 2020); and (viii) *In the Matter of CME Amsterdam B.V.* (August 25, 2020).
- 12 In *CME Amsterdam*, the applicant offers trading of a variety of FX derivatives on its relationship-based trading platforms, including by way of RFS and RFQ. While the other precedents are not precisely analogous to the Platform (i.e. a standalone RFQ and RFS platform confined to FX), they nonetheless contain certain helpful parallels to the Platform. For instance, in *IceFutures*, the applicant offered a variety of derivatives contracts including commodity futures contracts and futures contract options. Similarly, the facility in *OneChicago* supported the reporting of privately-negotiated, bilateral trades—as is the case on the Platform. While the *360 Networks* and *BGC Derivative Markets* decisions pertain to swap execution facilities, both of the facilities in those decisions involved RFQ capability. The *London Metal Exchange* and *State Street Global Markets International Limited* precedents are valuable as both are recent decisions of the Commission with respect to an exemption from recognition as an exchange.

Part IV Other Matters

1. In support of this application, we are enclosing the following: (a) a verification statement from an officer of the Applicant confirming our authority to prepare and file this application, and certifying the truth of the facts contained herein as Appendix A; and (b) a draft Order for the Requested Relief, including draft terms and conditions.

2. RTSPL consents to the publication of this application for public comment in the OSC Bulletin.

Yours very truly,

(signed) *"Mark A. Convery"*

Mark A. Convery
Senior Partner

Appendix A

Verification Certificate

To: Ontario Securities Commission

Dear Sirs/Mesdames:

Re: Application by Refinitiv Transaction Services Pte. Ltd.

I, Jonathan Woodward, as Chief Executive Officer of Refinitiv Transaction Services Pte. Ltd., do hereby certify that the preparation and compilation of the attached application to the Ontario Securities Commission is authorized and confirm the truth of the facts contained therein as they relate to the operation of QuickTrade by Refinitiv Transaction Services Pte. Ltd.

DATED _____, 2021

Jonathan Woodward
Chief Executive Officer, Refinitiv Transaction Services Pte. Ltd.

Appendix B

Draft Order

IN THE MATTER OF

THE SECURITIES ACT, R.S.O. 1990, CHAPTER S. 5, AS AMENDED

AND

IN THE MATTER OF

REFINITIV TRANSACTION SERVICES PTE. LTD.

ORDER

(Section 147 of the Act)

WHEREAS Refinitiv Transaction Services Pte. Ltd. (**RTSPL** or the **Applicant**) has filed an application dated March 18, 2021 (the **Application**) with the Ontario Securities Commission (the **Commission**) pursuant to section 147 of the *Securities Act* (Ontario) (the **Act**) requesting an order exempting the Applicant from the requirement to be recognized as an exchange under subsection 21(1) of the Act in order to operate the Refinitiv FXall Quicktrade RFQ facility and the Refinitiv FXall Pricestream facility (together the **Platform**) in Ontario (the **Order**);

AND WHEREAS the Applicant has represented to the Commission that:

- 1 The Platform is currently operated by RTSPL, a private limited company which is a wholly-owned subsidiary of a holding company indirectly owned by the London Stock Exchange Group plc. RTSPL is registered in Singapore;
- 2 The Platform is a “request for quote” and “request for stream” platform operated by Refinitiv’s Singapore entity, which enables participants to request quotes and orders from other participants for a variety of over-the-counter foreign exchange instruments on both a one-off and streaming basis. The following types of investment are offered for trading on the Platform: FX Spot, FX Forwards, FX Swaps, FX Non-deliverable Forwards, FX Options and Spot, Forwards, Swaps and Options based on underlying precious metals (gold, silver, platinum and palladium). The Applicant may add other types of financial instruments in the future, subject to obtaining the required regulatory approvals;
- 3 The Platform is provided through the Refinitiv FXall platform (**FXall**). RTSPL only provides the software and infrastructure to facilitate transactions in these products between participants. It does not act as a counterparty to any such transactions, nor does it play any part in deciding which participants transact with each other or in determining the price at which participants agree to transact. RTSPL does not hold customer money or customer assets;
- 4 In addition, any clearing and settlement is performed outside of the environment of the Platform. The Platform facilitates transactions between what are referred to on the Platform as Takers and Makers in foreign exchange instruments on a bilateral basis based on existing credit relationships formed outside of RTSPL or the Platform;
- 5 The Applicant is regulated as a Recognized Market Operator (**RMO**) by the Monetary Authority of Singapore (**MAS**);

- 6 In Singapore, RMOs are regulated under Part II, Division 3 of the *Securities and Futures Act (SFA)* and the *Securities and Futures (Organised Markets) Regulations (2018)* (the **SFA Regulations**);
- 7 As an RMO, RTSPL is obliged to:
- (a) as far as is reasonably practicable, ensure that every organized market it operates is a fair, orderly and transparent organized market;
 - (b) manage any risks associated with its business and operations prudently;
 - (c) in discharging its obligations under the SFA, not act contrary to the interests of the public, having particular regard to the interests of the investing public;
 - (d) ensure that access for participation in its facilities is subject to criteria that are (i) fair and objective; and (ii) designed to ensure the orderly functioning of its organized market and to protect the interests of the investing public;
 - (e) maintain business rules and, where appropriate, listing rules that make satisfactory provision for (i) the organized market to be operated in a fair, orderly and transparent manner; and (ii) the proper regulation and supervision of its members;
 - (f) enforce compliance with its business rules and, where appropriate, listing rules;
 - (g) have sufficient financial, human and system resources to (i) to operate a fair, orderly and transparent organized market; (ii) to meet contingencies or disasters; and (iii) to provide adequate security arrangements;
 - (h) maintain governance arrangements that are adequate for its organized market to be operated in a fair, orderly and transparent manner; and
 - (i) ensure that it appoints or employs fit and proper persons as its chairman, chief executive officer, directors and key management officers;
- 8 RTSPL is also required to notify MAS of certain matters (spelled out in section 34 of the SFA and section 21 of the SFA Regulations), manage risks prudently, submit periodic reports, assist MAS with respect to certain matters, maintain confidentiality, and maintain proper records;
- 9 The Applicant is subject to regulatory supervision by MAS and is required to comply with MAS's regulatory framework set out in the SFA Act and the SFA Regulations. In addition, the FXall Operational Procedures (the **Rules**) provide that participants must comply with the Rules and with all applicable laws, regulations, codes of conduct and market practice to which participants are bound in relation to their platform activity, including all applicable laws and regulations relating to money laundering, proceeds of crime and any other financial crime legislation. In addition, the Rules provide for fair and orderly trading and objective criteria for the efficient execution of orders;
- 10 Participants are sophisticated and well-capitalized investors such as banks, dealers, government institutions, advisers and large corporations. Participants are required to satisfy the admission criteria in the Rules. Participants are required to either be "accredited investors" or "expert investors" as defined in the SFA, or to belong to the categories listed in the Rules. These categories are roughly equivalent to the categories for designation as a "permitted client" or "accredited investor" under Ontario law. RTSPL takes steps to ensure that Ontario participants are either registered or exempt from registration under Ontario law;

- 11 As a result of its compliance obligations under the MAS regulatory regime, the Applicant is required to maintain a permanent and effective compliance function. The Applicant's Compliance Department is responsible for implementing and maintaining adequate policies and procedures designed to ensure that the Applicant (and all associated staff) comply with their obligations under MAS rules. These policies and procedures are set forth in the RTSPL Compliance Manual and associated internal policies and procedures;
- 12 Participants are responsible for ensuring the prompt exchange and processing of transaction confirmations directly with their counterparties in accordance with market practice. Failure to settle transactions will constitute a breach of the Rules. Participants are also responsible for ensuring that transactions are not required to be cleared pursuant to applicable law. If participants are required or choose to clear a transaction, they are responsible for making the necessary arrangements;
- 13 The Platform provides certain Ontario participants with access to liquidity for which, at least for certain types of transactions, there is no appropriate alternative platform, and the Ontario capital markets will be disrupted if the Order is not granted;
- 14 Because the Platform sets requirements for the conduct of its participants and surveils the trading activity of its participants, it is considered by the Commission to be a marketplace;
- 15 Since the Applicant seeks to provide Ontario Participants with direct access to trading on the Platform, the Platform is considered by the Commission to be "carrying on business as an exchange" in Ontario and is required to be recognized as such or exempted from recognition pursuant to section 21 of the Act;
- 16 The Platform has no physical presence in Ontario and does not otherwise carry on business in Ontario except as described herein;

AND WHEREAS the products traded on the Platform are not commodity futures contracts as defined in the *Commodity Futures Act* (Ontario) and the Platform is not considered to be carrying on business as a commodity futures exchange in Ontario;

AND WHEREAS the Commission will monitor developments in international and domestic capital markets and the Applicant's activities on an ongoing basis to determine whether it is appropriate for the Requested Relief to continue to be granted subject to the terms and conditions set out in Schedule "A" to this order;

AND WHEREAS the Applicant has acknowledged to the Commission that the scope of the Order and the terms and conditions imposed by the Commission set out in Schedule "A" to this order may change as a result of the Commission's monitoring of developments in international and domestic capital markets or the Applicant or the Platform's activities, or as a result of any changes to the laws in Ontario affecting trading in derivatives or securities;

AND WHEREAS based on the Application, together with the representations made by and acknowledgments of the Applicant to the Commission, the Commission has determined that:

- a) the Applicant satisfies the criteria for exemption set out in Attachment 1 to Schedule A;
and
- b) the granting of the Requested Relief would not be prejudicial to the public interest;

IT IS HEREBY ORDERED by the Commission that, pursuant to section 147 of the Act, the Applicant is exempt from the requirement to be recognized as an exchange under subsection 21(1) of the Act in order to operate the Refinitiv FXall Quicktrade RFQ facility and the Refinitiv FXall Pricestream facility;

PROVIDED THAT the Applicant complies with the terms and conditions contained in Schedule "A" to this Order.

Schedule A

Terms and Conditions

Meeting Criteria for Exemption

1. The Applicant will continue to meet the criteria for exemption included in Appendix 1 to this Schedule.

Regulation and Oversight of the Applicant

2. The Applicant will maintain its permission to operate as a Recognized Market Operator (**RMO**) from the Monetary Authority of Singapore (**MAS**) and will continue to be subject to the regulatory oversight of the MAS.

3. The Applicant will continue to comply with the ongoing requirements applicable to it as a RMO.

4. The Applicant must do everything within its control, which includes cooperating with the Commission as needed, to carry out its activities as an exchange exempted from recognition under subsection 21(1) of the Act in compliance with Ontario securities law.

Access

5. The Applicant will not provide direct access to a participant in Ontario (**Ontario User**) unless the Ontario User is appropriately registered as applicable under Ontario securities laws or is exempt from or not subject to those requirements.

6. For each Ontario User provided direct access to the Platform, the Applicant will require, as part of its application documentation or continued access to the Platform, the Ontario User to represent that it is appropriately registered as applicable under Ontario securities laws or is exempt from or not subject to those requirements.

7. The Applicant may reasonably rely on a written representation from the Ontario User that specifies either that it is appropriately registered as applicable under Ontario securities laws or is exempt from or not subject to those requirements, provided the Applicant notifies such Ontario User that this representation is deemed to be repeated each time it enters an order, request for quote or response to a request for quote on the Platform.

8. The Applicant will require Ontario Users to notify the Applicant if their registration as applicable under Ontario securities laws has been revoked, suspended, or amended by the Commission or if they are no longer exempt from or become subject to those requirements and, following notice from the Ontario User and subject to applicable laws, the Applicant will promptly restrict the Ontario User's access to the Platform if the Ontario User is no longer appropriately registered or exempt from those requirements.

Trading by Ontario Users

9. The Applicant will not provide access to an Ontario User to trading in products other than FX Spot, FX Forwards, FX Swaps, FX Non-deliverable Forwards, FX Options and Spot, Forwards, Swaps and Options based on underlying precious metals (gold, silver, platinum and palladium) without prior Commission approval.

Submission to Jurisdiction and Agent for Service

10. With respect to a proceeding brought by the Commission arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of the activities of the Applicant in Ontario, the Applicant will submit to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Ontario and (ii) an administrative proceeding in Ontario.

11. The Applicant will submit to the Commission a valid and binding appointment of an agent for service in Ontario upon whom the Commission may serve a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of the Applicant's activities in Ontario.

Prompt Reporting

12. The Applicant will notify staff of the Commission promptly of:

- a) any authorization to carry on business granted by the MAS is revoked or suspended or made subject to terms or conditions on the Applicant's operations;
- b) the Applicant institutes a petition for a judgment of bankruptcy or insolvency or similar relief, or to wind up or liquidate the Applicant or has a proceeding for any such petition instituted against it;
- c) a receiver is appointed for the Applicant or the Applicant makes any voluntary arrangement with creditors;
- d) the Applicant or the Platform is not in compliance with this order or with any applicable requirements, laws or regulations of the MAS where it is required to report such non-compliance to the MAS;
- e) any investigations of, or disciplinary action against, the Applicant by the MAS or any other regulatory authority to which it is subject become known to the Applicant; and
- f) the Applicant makes any material change to the eligibility criteria for Ontario Users.

Semi-Annual Reporting

13. The Applicant will maintain the following updated information and submit such information in a manner and form acceptable to the Commission on a semi-annual basis (by July 31 for the first half of the calendar year and by January 31 of the following year for the second half), and at any time promptly upon the request of staff of the Commission:

- a) a current list of all Ontario Users and whether the Ontario User is registered under Ontario securities laws or is exempt from or not subject to registration, and, to the extent known by the Applicant, other persons or companies located in Ontario trading as customers of participants (**Other Ontario Participants**);
- b) the legal entity identifier assigned to each Ontario User, and, to the extent known by the Applicant, to Other Ontario Participants in accordance with the standards set by the Global Legal Entity Identifier System;
- c) a list of all Ontario Users against whom disciplinary action has been taken in the last semi-annual period by the Applicant, or, to the best of the Applicant's knowledge, by the MAS with respect to

such Ontario Users' activities on the Platform and the aggregate number of disciplinary actions taken against all participants in the last semi-annual period by the Applicant;

- d) a list of all active investigations during the semi-annual period by the Applicant relating to Ontario Users and the **aggregate** number of active investigations during the semi-annual period relating to all participants undertaken by the Applicant;
- e) a list of all Ontario applicants for status as a participant who were denied such status or access to the Applicant during the semi-annual period, together with the reasons for each such denial; and
- f) for each product,
 - (i) the total trading volume and value originating from Ontario Users, and, to the extent known by the Applicant, from Other Ontario Participants, presented on a per Ontario User or per Other Ontario Participant basis; and
 - (ii) the proportion of worldwide trading volume and value on the Platform conducted by Ontario Users, and, to the extent known by the Applicant, by Other Ontario Participants, presented in the aggregate for such Ontario Users and Other Ontario Participants,

provided in the required format.

Information Sharing

14. The Applicant will provide such information as may be requested from time to time by, and otherwise cooperate with, the Commission or its staff, subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information.

APPENDIX 1

CRITERIA FOR EXEMPTION OF A FOREIGN EXCHANGE TRADING OTC DERIVATIVES FROM RECOGNITION AS AN EXCHANGE

PART 1 REGULATION OF THE EXCHANGE

1.1 Regulation of the Exchange

The exchange is regulated in an appropriate manner in another jurisdiction by a foreign regulator (**Foreign Regulator**).

1.2 Authority of the Foreign Regulator

The Foreign Regulator has the appropriate authority and procedures for oversight of the exchange. This includes regular, periodic oversight reviews of the exchange by the Foreign Regulator.

PART 2 GOVERNANCE

2.1 Governance

The governance structure and governance arrangements of the exchange ensure:

- (a) effective oversight of the exchange,
- (b) that business and regulatory decisions are in keeping with its public interest mandate,
- (c) fair, meaningful and diverse representation on the board of directors (**Board**) and any committees of the Board, including:
 - (i) appropriate representation of independent directors, and
 - (ii) a proper balance among the interests of the different persons or companies using the services and facilities of the exchange,
- (d) the exchange has policies and procedures to appropriately identify and manage conflicts of interest for all officers, directors and employees, and
- (e) there are appropriate qualifications, remuneration, limitation of liability and indemnity provisions for directors, officers and employees of the exchange.

2.2 Fitness

The exchange has policies and procedures under which it will take reasonable steps, and has taken such reasonable steps, to ensure that each director and officer is a fit and proper person and past conduct of each officer or director affords reasonable grounds for belief that the officer or director will perform his or her duties with integrity.

PART 3 REGULATION OF PRODUCTS

3.1 Review and Approval of Products

The products traded on the exchange and any changes thereto are submitted to the Foreign Regulator, and are either approved by the Foreign Regulator or are subject to requirements established by the Foreign Regulator that must be met before implementation of a product or changes to a product.

3.2 Product Specifications

The terms and conditions of trading the products are in conformity with the usual commercial customs and practices for the trading of such products.

3.3 Risks Associated with Trading Products

The exchange maintains adequate provisions to measure, manage and mitigate the risks associated with trading products on the exchange that may include, but are not limited to, daily trading limits, price limits, position limits, and internal controls.

PART 4 ACCESS

4.1 Fair Access

(a) The exchange has established appropriate written standards for access to its services including requirements to ensure

- (i) participants are appropriately registered as applicable under Ontario securities laws, or exempted from these requirements,
- (ii) the competence, integrity and authority of systems users, and
- (iii) systems users are adequately supervised.

(b) The access standards and the process for obtaining, limiting and denying access are fair, transparent and applied reasonably.

(c) The exchange does not unreasonably prohibit, condition or limit access by a person or company to services offered by it.

(d) The exchange does not

- (i) permit unreasonable discrimination among participants, or
- (ii) impose any burden on competition that is not reasonably necessary and appropriate.

(e) The exchange keeps records of each grant and each denial or limitation of access, including reasons for granting, denying or limiting access.

PART 5 REGULATION OF PARTICIPANTS ON THE EXCHANGE

5.1 Regulation

The exchange has the authority, resources, capabilities, systems and processes to allow it to perform its regulation functions, whether directly or indirectly through a regulation services provider, including setting requirements governing the conduct of its participants, monitoring their conduct, and appropriately disciplining them for violations of exchange requirements.

PART 6 RULEMAKING

6.1 Purpose of Rules

(a) The exchange has rules, policies and other similar instruments (**Rules**) that are designed to appropriately govern the operations and activities of participants and do not permit unreasonable discrimination among participants or impose any burden on competition that is not reasonably necessary or appropriate.

(b) The Rules are not contrary to the public interest and are designed to

(i) ensure compliance with applicable legislation,

(ii) prevent fraudulent and manipulative acts and practices,

(iii) promote just and equitable principles of trade,

(iv) foster co-operation and co-ordination with persons or companies engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in the products traded on the exchange,

(v) provide a framework for disciplinary and enforcement actions, and

(vi) ensure a fair and orderly market.

PART 7 DUE PROCESS

7.1 Due Process

For any decision made by the exchange that affects a participant, or an applicant to be a participant, including a decision in relation to access, exemptions, or discipline, the exchange ensures that:

(a) parties are given an opportunity to be heard or make representations, and

(b) it keeps a record of, gives reasons for, and provides for appeals or reviews of its decisions.

PART 8 CLEARING AND SETTLEMENT

8.1 Clearing Arrangements

The exchange has or requires its participants to have appropriate arrangements for the clearing and settlement of transactions for which clearing is mandatory through a clearing house.

8.2 Risk Management of Clearing House

The exchange has assured itself that the clearing house has established appropriate risk management policies and procedures, contingency plans, default procedures and internal controls.

PART 9 SYSTEMS AND TECHNOLOGY

9.1 Systems and Technology

Each of the exchange's critical systems has appropriate internal controls to ensure completeness, accuracy, integrity and security of information, and, in addition, has sufficient capacity and business continuity plans to enable the exchange to properly carry on its business. Critical systems are those that support the following functions:

- (a) order entry,
- (b) order routing,
- (c) execution,
- (d) trade reporting,
- (e) trade comparison,
- (f) data feeds,
- (g) market surveillance,
- (h) trade clearing, and
- (i) financial reporting.

9.2 System Capability/Scalability

Without limiting the generality of section 9.1, for each of its systems supporting order entry, order routing, execution, data feeds, trade reporting and trade comparison, the exchange:

- (a) makes reasonable current and future capacity estimates;
- (b) conducts capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner;
- (c) reviews the vulnerability of those systems and data centre computer operations to internal and external threats, including physical hazards and natural disasters;
- (d) ensures that safeguards that protect a system against unauthorized access, internal failures, human errors, attacks and natural catastrophes that might cause improper disclosures, modification, destruction or denial of service are subject to an independent and ongoing audit which should include the physical environment, system capacity, operating system testing, documentation, internal controls and contingency plans;

(e) ensures that the configuration of the system has been reviewed to identify potential points of failure, lack of back-up and redundant capabilities;

(f) maintains reasonable procedures to review and keep current the development and testing methodology of those systems; and

(g) maintains reasonable back-up, contingency and business continuity plans, disaster recovery plans and internal controls.

9.3 Information Technology Risk Management Procedures

The exchange has appropriate risk management procedures in place including those that handle trading errors, trading halts and respond to market disruptions and disorderly trading.

PART 10 FINANCIAL VIABILITY

10.1 Financial Viability

The exchange has sufficient financial resources for the proper performance of its functions and to meet its responsibilities.

PART 11 TRADING PRACTICES

11.1 Trading Practices

Trading practices are fair, properly supervised and not contrary to the public interest.

11.2 Orders

Rules pertaining to order size and limits are fair and equitable to all market participants and the system for accepting and distinguishing between and executing different types of orders is fair, equitable and transparent.

11.3 Transparency

The exchange has adequate arrangements to record and publish accurate and timely information as required by applicable law or the Foreign Regulator. This information is also provided to all participants on an equitable basis.

PART 12 COMPLIANCE, SURVEILLANCE AND ENFORCEMENT

12.1 Jurisdiction

The exchange or the Foreign Regulator has the jurisdiction to perform member and market regulation, including the ability to set rules, conduct compliance reviews and perform surveillance and enforcement.

12.2 Member and Market Regulation

The exchange or the Foreign Regulator maintains appropriate systems, resources and procedures for evaluating compliance with exchange and legislative requirements and for disciplining participants.

12.3 Availability of Information to Regulators

The exchange has mechanisms in place to ensure that the information necessary to conduct adequate surveillance of the system for supervisory or enforcement purposes is available to the relevant regulatory authorities, including the Commission, on a timely basis.

PART 13 RECORD KEEPING

13.1 Record Keeping

The exchange has and maintains adequate systems in place for the keeping of books and records, including, but not limited to, those concerning the operations of the exchange, audit trail information on all trades, and compliance with, and/or violations of exchange requirements.

PART 14 OUTSOURCING

14.1 Outsourcing

Where the exchange has outsourced any of its key services or systems to a service provider, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations and that are in accordance with industry best practices.

PART 15 FEES

15.1 Fees

(a) All fees imposed by the exchange are reasonable and equitably allocated and do not have the effect of creating an unreasonable condition or limit on access by participants to the services offered by the exchange.

(b) The process for setting fees is fair and appropriate, and the fee model is transparent.

PART 16 INFORMATION SHARING AND OVERSIGHT ARRANGEMENTS

16.1 Information Sharing and Regulatory Cooperation

The exchange has mechanisms in place to enable it to share information and otherwise co-operate with the Commission, self-regulatory organizations, other exchanges, clearing agencies, investor protection funds, and other appropriate regulatory bodies.

16.2 Oversight Arrangements

Satisfactory information sharing and oversight agreements exist between the Commission and the Foreign Regulator.

PART 17 IOSCO PRINCIPLES

17.1 IOSCO Principles

To the extent it is consistent with the laws of the foreign jurisdiction, the exchange adheres to the standards of the International Organisation of Securities Commissions (**IOSCO**) including those set out in the "Principles for the Regulation and Supervision of Commodity Derivatives Markets" (2011).