



GUIDANCE

ICE Futures Singapore

Position Transfers

22 December 2015

ICE Futures Singapore Guidance on Position Transfers

This Guidance contains details on Position Transfers, covering aspects like when they are permitted, when the ICE Futures Singapore (“the Exchange”) Compliance department’s approval is required and what are the steps Clearing Members should follow when requesting approval on behalf of their clients.

For clarity, this Guidance is not applicable to trades that have been cleared in the incorrect account or position account combination in the previous **TWO** Business Days. To correct and adjust such errors, Members may use the ‘Previously Cleared Transactions’ screen in PTMS (the position transfer screen must not be used).

The circumstances in which a position transfer may or may not be accepted are described in details under Section F.8 of the Exchange Rules.

Prior Approval Not Required

1. Generally, a position transfer is acceptable and prior approval from the Exchange is not required when the transfer is being made for the same beneficial owner of the position, provided that:
 - a. the transfer is being made
 - (i) from one Member to another Member; or
 - (ii) from one account to another account on the books of the same Member; at the request of a client where no change in the underlying position at the client level is involved and the transfer is for the same client; and
 - b. there is no resulting offset (close-out) in a spot month Contract. Members must ensure that when making position transfers in other contract months, the resulting change does not impact on the orderly functioning of the market.

Prior Approval Required

2. Where a position transfer involves a change in the beneficial ownership¹, this transfer would require Exchange Compliance approval. To make such request, a form has been provided with this Guidance (**Appendix 1**), which includes information on what requires approval, and what information is needed by Compliance to make the decision. The form can be emailed to Compliance-Singapore@theice.com.

¹ For purposes of Exchange Rule F.8.1(g), a change in beneficial ownership shall not be deemed to have occurred with respect to

- (a) position transfers between firms which are 100% owned by the same person; and
- (b) position transfers between any person and any entity owned 100% by such person.

3. As some of the transfers which involve a change in ownership may be complex in nature, the request for approval should be made at least 1 Trading Day prior to the planned transfer date. The planned transfer must be more than 5 Trading Days prior to the expiry of the contract.
4. The originating Clearing Member must ensure that the position to be transferred is open and available for transfer. Both the originating and the receiving Clearing Members have the responsibility to ensure compliance with Section F.8 of the Exchange Rules.
5. Once the Exchange approves a position transfer request, the Exchange will inform the Member(s) and the Clearing House that the transfer may be submitted into the ICE Clear Singapore clearing systems. Where conditions are attached to the approval, the Member(s) will be notified of the conditions, too.

Exchange's Review

6. Position transfers input for processing, regardless whether the transfer requires prior approval of the Exchange, may be reviewed by the Exchange. When reviewing position transfers, the Exchange may seek further explanations or supporting documentation from Members in order to confirm its understanding of the nature of the transfer. Processing of a position transfer request will not preclude the Exchange from instigating disciplinary proceedings in the event that it transpires that the request may have been in contravention of applicable Exchange Rules.
7. No charge will be applied by the Exchange for the input or processing of position transfers.
8. Members are advised to contact the Exchange Compliance department if they are not clear on the details relating to position transfers. For queries relating to the use of the ICE Clear Singapore clearing systems, Members are advised to contact the Clearing House.

REQUEST FOR POSITION TRANSFER PURSUANT TO RULE F.8

ICE Futures Singapore – Position Transfer Request Form Instructions

1. Exchange Rule F.8 requires prior approval for position transfers which do not meet the conditions set out under Para 1 of the Guidance. Market participants who wish to transact a transfer that does not meet the conditions should ask its originating and receiving Clearing Members to complete and submit the attached **Request Form**.
2. For clarity, trades from the previous **TWO** Business Days that were cleared in the incorrect account/position account combination may be managed through the 'Previously Cleared Transaction' screen in PTMS and do not require Members to make a request using this form.
3. Both originating and receiving Clearing Members have the responsibility to ensure compliance with Rule F.8.
4. The originating and receiving Clearing Members of a transfer request have to submit their respective request forms. Where position transfer is to be done from one account to another account on the books of the same Clearing Member, the Member can submit a single form, completing all the necessary.

1. Name of Client requesting a transfer

2. Nature of the Transfer

Exchange Rule F.8.1 (g) requires Exchange approval for certain transfers of positions where beneficial ownership between the transferring parties is not identical. Please indicate below, which if any of the following permissible transactions adequately describes the basis on which the transfer of positions is occurring:

_____ Transfers made for the purpose of combining the positions held by two or more funds which are operated by the same fund manager and traded by the same fund manager, pursuant to the same strategy, into a single account so long as the transfers do not result in the liquidation of any open positions, and the pro rata allocation of interests in the consolidating account does not result in more than a significant change in the value of the interest of any fund participant.

_____ Other transfer (*please specify below*) as the Exchange, in its discretion, shall exempt in connection with, or as a result of a:

_____ Merger

_____ Asset purchase

_____ Consolidation

_____ Similar non-recurring corporate transaction between two or more entities where one or several entities become the successor in interest of one or several other entities

_____ Transfer made where the situation so requires and such transfer is in the best interests of the Exchange or the Market.

3. Explanation of Transfer(s)

Enclose a summary describing the nature of the transfer, including but not limited to: the identities of the parties involved with the transfer, details about the merger, asset purchase, consolidation or other non-recurring event, fund managers involved, along with their general trading strategy, organizational charts, if applicable, and any other formal filings or documents relating to the event for which the transfer is being requested.

In addition, please provide specific details of the related positions (Excel document will suffice) associated with the requested transfer.

4. Position(s) Transfer Price

_____ Futures Contracts and Futures-style Options Contracts:

_____ The prior day's Settlement Price; or

_____ The original market price;

_____ Options Contracts

_____ The original market premium; or

_____ The premium of zero.

5. Transfer Date

For all such transfers, the receiving Member must record the transferred contracts on its books at either the original dates or the transfer date.

Original/Trade Date(s): _____

Transfer Date(s): _____

6. Clearing Member(s)

Originating Clearing Member

Clearing Firm: _____

Account Name: _____

Account Number(s): _____

Receiving Clearing Member

Clearing Firm: _____

Account Name: _____

Account Number(s): _____

You are reminded that the Exchange, at its discretion, may initiate an inquiry to review this transfer.

The undersigned certifies that it is their belief, after evaluation of all the appropriate information and materials, that the requested transfer would be permissible under Exchange Rule F.8, and is seeking approval from the Exchange to permit such transfer.

Clearing Member Name: _____

Submitted by (Print Name): _____

Position/Title: _____

Signature: _____ Date: _____

Telephone No: _____ E-Mail: _____

This form must be submitted to the Exchange Compliance Department at Compliance-Singapore@theice.com.

Any questions regarding the use of this form should be directed to ICE Futures Singapore at +65 6594 0171/0172 or compliance-singapore@theice.com.