

## **LONDON NOTICE No. 3209**

ISSUE DATE: 23 October 2009  
EFFECTIVE DATE: 23 October 2009

### **ACCESS TO LIFFE CONNECT® IN SINGAPORE**

#### **Executive Summary**

This Notice provides an update to the conditions under which Members and Affiliates in Singapore may obtain direct access to LIFFE CONNECT®.

#### **1. Introduction**

- 1.1 London Notice No. 2792, issued on 30 August 2006, explained the terms and conditions applicable to Members and Affiliates wishing to obtain direct access to LIFFE CONNECT® from Singapore.
- 1.2 Following a review by The Monetary Authority of Singapore (“MAS”) of the recognition conditions relating to trading access, this Notice provides details of updated terms and conditions which supersede those outlined in London Notice No. 2792. To assist Members in identifying where changes in the conditions have been made (in comparison to London Notice No. 2792), such changes are highlighted in bold in Attachment 1 of this Notice.

#### **2. Terms and Conditions**

- 2.1 Members of the London market and their Affiliates who wish to have direct access to LIFFE CONNECT® from Singapore, and those Singapore based clients trading through such Members and Affiliates, will need to comply with and/or be subject to the following terms and conditions:
  - (a) the Member or Affiliate or client of the Member or Affiliate (as the case may be) must satisfy the definition of “professional investor” or “accredited investor” or **“expert investor”** in Singapore (please see Attachment 1 for definitions).
  - (b) the Member or Affiliate will be responsible for ensuring that his Singapore-based clients meet the criteria set out in paragraph 2.1(a) above and will be required to provide an undertaking to LIFFE in this respect (please see section 3 below);
  - (c) consistent with the approach taken generally in relation to Exchange business, Members/Affiliates who are authorised in Singapore to conduct client business may provide indirect access to clients in Singapore only on the basis that all client business

Web site: [www.nyx.com/liffe](http://www.nyx.com/liffe)

The **Euronext Derivatives Markets** comprise the markets for derivatives operated by Euronext Amsterdam, Euronext Brussels, Euronext Lisbon, Euronext Paris and LIFFE Administration and Management, referred to respectively as the Amsterdam, Brussels, Lisbon, Paris and London markets. Euronext is part of the NYSE Euronext group.

is subject to appropriate pre-trade risk management checks by the Member or Affiliate prior to its submission to LIFFE CONNECT®;

- (d) access for Members' Affiliates is subject to the requirements set out in sections 4 and 5 of London Notice No. 2792; and
- (e) only the products listed in Attachment 2 to this Notice may be made directly available to Members/Affiliates in Singapore. In summary, these are all of the products which are currently made available for trading in the London market on the LIFFE CONNECT® Financial Trading Engines. At present, UK Individual Equity Options have not been made directly available. The Attachment will be updated from time to time.

### **3. Filing of Undertaking with the Exchange**

- 3.1 The pro forma for the undertaking is available from the NYSE Liffe Membership Department ([derivativesmembership@nyx.com](mailto:derivativesmembership@nyx.com)) on request.
- 3.2 Members should file the undertaking with the NYSE Liffe Membership Department (Cannon Bridge House, 1 Cousin Lane, London, EC4R 3XX) prior to conducting client business through their direct access connection in Singapore to LIFFE CONNECT® and prior to permitting their Affiliates to conduct such business. Each undertaking will be valid for a period of twelve months from the date of its signature and therefore a new undertaking, in respect of the next twelve month period, must be submitted to the NYSE Liffe Membership Department before the undertaking expires.

For further information in relation to this Notice, Members should contact their Account Manager or one of the following:

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**Definition of “accredited investors” and “expert investors” pursuant to the Securities and Futures Act; and definition of “professional investors” pursuant to the recognition conditions for LIFFE Administration and Management as a recognised market operator.**

“Authority” means the “Monetary Authority of Singapore”.

(a) “accredited investor” means –

(i) an individual –

(A) whose net personal assets exceed in value S\$2 million (or its equivalent in a foreign currency) or such other amount as the Authority may prescribe in place of the first amount; or

(B) whose income in the preceding 12 months is not less than S\$300,000 (or its equivalent in a foreign currency) or such other amount as the Authority may prescribe in place of the first amount;

(ii) a corporation with net assets exceeding S\$20 million in value (or its equivalent in a foreign currency) or such other amount as the Authority may prescribe, in place of the first amount, as determined by –

(A) the most recent audited balance-sheet of the corporation; or

(B) where the corporation is not required to prepare audited accounts regularly, a balance-sheet of the corporation certified by the corporation as of the date of the balance-sheet, which date shall be within the preceding 12 months;

(iii) The trustee of such trust as the Authority may prescribe, when acting in that capacity; or

(iv) Such other person as the Authority may prescribe;

(b) “expert investor” means -

**(i) a person whose business involves the acquisition and disposal, or the holding, of capital markets products, whether as principal or agent;**

**(ii) the trustee of such trust as the Authority may prescribe, when acting in that capacity; or**

**(iii) such other person as the Authority may prescribe.**

(c) “professional investor” means –

(i) a bank that is licensed under the Banking Act (Cap. 19);

(ii) a merchant bank that is approved as a financial institution under section 28 of the Monetary Authority of Singapore Act (Cap. 186);

(iii) a finance company that is licensed under the Finance Companies Act (Cap. 108);

- (iv) a company or society registered under the Insurance Act (Cap. 142) as an insurer;
- (v) the Singapore Government;
- (vi) a statutory body established under any Act in Singapore;
- (vii) the Government of Singapore Investment Corporation Pte Ltd;
- (viii) a pension fund;
- (ix) a collective investment scheme, as defined under section 2(1) of the Securities and Futures Act (Cap. 289) (“SFA”)
- (x) a holder of a capital markets services licence under the SFA
- (xi) a member of LIFFE, being a person who is exempted from the requirement to hold a capital markets services licence to carry on business in trading in futures contracts under paragraph 3(a) of the Second Schedule to the Securities and Futures (Licensing and Conduct of Business) Regulations (Rg 10) (“LCB Regulations”);
- (xii) a headquarters company or Finance and Treasury Centre which carries on a class of business involving fund management but only to the extent that the business in fund management has been approved as a qualifying service in relation to that headquarters company or Finance and Treasury Centre under section 43E(2)(a) or 43(2)(a) of the Income Tax Act (Cap. 134), as the case may be;
- (xiii) a company in the Global Trader Programme of International Enterprise Singapore;
- (xiv) a financial adviser licensed under the Financial Advisers Act (Cap. 1010) who uses LIFFE’s services solely for the purposes of trading for its own account;
- (xv) a person exempted under paragraph 5(1)(d) of the Second Schedule to the LCB Regulations who has assets under management of not less than S\$15 million; or
- (xvi) a hedge fund that has assets under management of not less than S\$15 million.

**Contracts available for trading on the London market which are directly available in  
Singapore  
through LIFFE CONNECT<sup>®</sup> as at 23 October 2009**

**Short Term Interest Rate Products**

- Three Month Euro (EURIBOR) Interest Rate Futures
- Options on Three Month Euro (EURIBOR) Interest Rate Futures
- One Year and Two Year Mid-Curve Options on Three Month Euro (EURIBOR) Interest Rate Futures
- Three Month Sterling (Short Sterling) Interest Rate Futures
- Options on Three Month Sterling (Short Sterling) Interest Rate Futures
- One Year and Two Year Mid-Curve Options on Three Month Sterling (Short Sterling) Interest Rate Futures
- Three Month Euro Swiss Franc (Euroswiss) Interest Rate Futures
- Options on Three Month Euro Swiss Franc (Euroswiss) Interest Rate Futures
- Three Month Euroyen (TIBOR) Interest Rate Futures
- Three Month Eurodollar Interest Rate Futures
- Options on Three Month Eurodollar Interest Rate Futures
- One Year Mid-Curve Options on Three Month Eurodollar Interest Rate Futures
- One-Month EONIA-Indexed Futures
- Three Month EONIA Swap Index Futures

**Bond and Swapnote<sup>®</sup> Products**

- Long Gilt Futures
- Options on Long Gilt Futures
- Japanese Government Bond (JGB) Futures
- Two Year Euro Swapnote<sup>®</sup> Futures
- Options on Two Year Euro Swapnote<sup>®</sup> Futures
- Five Year Euro Swapnote<sup>®</sup> Futures
- Options on Five Year Euro Swapnote<sup>®</sup> Futures
- Ten Year Euro Swapnote<sup>®</sup> Futures
- Options on Ten Year Euro Swapnote<sup>®</sup> Futures
- Two Year U.S. Dollar Swapnote<sup>®</sup> Futures
- Five Year U.S. Dollar Swapnote<sup>®</sup> Futures
- Ten Year U.S. Dollar Swapnote<sup>®</sup> Futures

**Equity and Equity Index Products**

- Universal Stock Futures Contracts on Continental European and U.S. Stocks
- FTSE 100 Index Futures
- FTSE 100 Index Options (European-Style Exercise)
- FTSE 100 Dividend Index Futures
- FTSE 250 Index Futures
- FTSE Eurotop 100 Index Futures
- MSCI Euro Index Futures
- MSCI Pan-Euro Index Futures

## **Commodity Products**

- Cocoa Futures
- Options on Cocoa Futures
- Robusta Coffee Futures
- Options on Robusta Coffee Futures
- White Sugar Futures
- Options on White Sugar Futures
- Wheat Futures
- Options on Wheat Futures
- Raw Sugar Futures
- Options on Raw Sugar Futures