

12 July 2019

Mr. Christopher J. Kirkpatrick  
Secretary  
Commodity Futures Trading Commission  
Three Lafayette Center  
1155 21<sup>st</sup> St., N.W.  
Washington, DC 20581  
United States of America

Dear Mr. Kirkpatrick,

**Self-certification of Amendments to SGX-DC Clearing Rules**

**1 Introduction**

1.1 Singapore Exchange Derivatives Clearing Limited ("**SGX-DC**"), a derivatives clearing organisation ("**DCO**") registered with the Commodity Futures Trading Commission (the "**Commission**"), hereby submits a self-certification for amendments to its Clearing Rules (the "**Amendments**") pursuant to Commission regulation 40.6(a).

**2 Intended Implementation Date**

2.1 The Amendments are proposed to be implemented on 1 August 2019, but will not be implemented prior to the Commission's 10 business day review period.

**3 Explanation and Analysis**

3.1 The Amendments are in respect of SGX-DC's revision of clearing fee for the following petrochemical products:

- a) SGX ICIS LLDPE CFR China Swap ("**PEC**")
- b) SGX ICIS PP Flat Yarn (Raffia) CFR China Swap ("**PPC**")

**Singapore Exchange Derivatives Clearing Limited**

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3.2 SGX-DC is proposing to lower the clearing fee to increase the competitiveness of the above products vis-à-vis similar products from other exchange. The revision is also to align the clearing fees for all SGX petrochemical swap products. The clearing fees for the other SGX petrochemical swap products is USD 25 per contract, which are equivalent to USD 0.05/MT, since the contract sizes are 500 MT.

#### 4 Description of Amendments

4.1 The table below summarises the clearing fee changes:

Clearing Fee Type	Description	Existing clearing fees per contract	Revised clearing fees per contract
		PEC, PPC (contract size = 50 MT)	PEC, PPC (contract size = 50 MT)
Cf 1	Trading Member (Individual)	US\$ 12.00	US\$ 2.50
Cf 2	Clearing Member House Account	US\$ 12.00	US\$ 2.50
Cf 3	Trading Member (Broker) House Account	US\$ 12.00	US\$ 2.50
Cf 5	Clearing Member Customer Account	US\$15.00	US\$ 2.50
Cf 6	Trading Member (Broker) Customer Account	US\$15.00	US\$ 2.50
Cf 7	Trading Member (Proprietary) (Customer)	US\$ 12.00	US\$ 2.50
Cf 8	Clearing Member Related Company House Account	US\$ 12.00	US\$ 2.50
Cf E	Trading Member's Trading Representatives (House)	US\$ 12.00	US\$ 2.50
Cf F	Trading Member's Trading Representatives (Customer)	US\$ 12.00	US\$ 2.50
Cf G	Clearing Member's Trading Representatives (House)	US\$ 12.00	US\$ 2.50
Cf K	Trading Member (Proprietary) (House)	US\$ 12.00	US\$ 2.50

#### 5 Certification of Compliance with Core Principles

5.1 The Amendments have been promulgated in respect of SGX-DC's compliance with Core Principle C on participant and product eligibility.

5.2 SGX-DC hereby certifies to the Commission that the Amendments comply with the Commodity Exchange Act, as amended, and the regulations promulgated thereunder.

**6 Public Notice of Pending Certification**

- 6.1 SGX-DC has made publicly available a notice of the Amendments' pending certification with the Commission, together with a copy of this submission on its website at the following address:  
<https://www2.sgx.com/regulation/about-sgx-regco#Meeting%20International%20Standards>.

**7 Opposing Views**

- 7.1 There were no opposing views expressed to SGX-DC by its board or committee members that were not incorporated into the Amendments. If any opposing views are received by SGX-DC during the Commission's review period, such views will be communicated to the Commission accordingly.

**8 Contact Details**

- 8.1 Please do not hesitate to contact the undersigned at [cheryl.chong@sgx.com](mailto:cheryl.chong@sgx.com) or +65 6713 6751 should you require any clarification.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Cheryl Chong".

Cheryl Chong  
Senior Associate  
Legal, Compliance & Corporate Secretariat