

20 June 2014

Ms. Melissa Jurgens
Secretary
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st St., N.W.
Washington, DC 20581
United States of America

VIA EMAIL

Dear Ms. Jurgens,

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 the Over-The-Counter Financial Derivatives ("**OTCF**") Clearing Member Handbook ("**Handbook**", and such amendments, the "**Amendments**") pursuant to Commission Regulation 40.6(a).
- 1.2 The Submission Cover Sheet is attached as Appendix 1.

2 Intended Implementation Date

- 2.1 The Amendments are proposed to be implemented by end July 2014.

3 Explanation and Analysis

- 3.1 The Amendments clarify in the Handbook the Commission's "60 seconds" rule in respect of OTCF transactions for US participants.
- 3.2 Commission Regulation 39.12(b)(7) requires a DCO to have rules to provide that it will accept or reject each trade submitted to the DCO for clearing as quickly as would be technologically practicable if fully automated systems were used. The Commission

interprets this requirement as requiring the acceptance or rejection of trades submitted to SGX-DC for clearing to be within 60 seconds.

- 3.3 Consistent with the said regulation, SGX-DC Clearing Rule 7.02AA.2.1 provides that a submission for registration of OTCF Transactions with SGX-DC for clearing will be accepted or rejected by SGX-DC as quickly after submission as would be technologically practicable if fully automated systems were used.
- 3.4 The Amendments clarify that SGX-DC will meet the Commission's "60 second" requirement.
- 3.5 SGX-DC is an approved clearing house under the Securities and Futures Act of Singapore and is regulated by the Monetary Authority of Singapore ("MAS"). The Amendments are subject to the MAS' regulatory concurrence.

4 Description of Amendments

- 4.1 The Handbook will be amended. The text of the Amendments with the changes indicated is attached as Appendix 2 (Confidential).
- 4.2 By separate letter, SGX-DC is requesting confidential treatment of Appendix 2 (Confidential) which contains the Amendments.

5 Certification of Compliance with Core Principles

- 5.1 The Amendments have been promulgated in respect of SGX-DC's compliance with DCO Core Principle C (Participant and Product Eligibility) in connection with standards for cleared products and the prompt and efficient processing of all contracts, agreements, and transactions submitted for clearing.
- 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 http://www.sgx.com/wps/portal/sqxweb/home/regulation/consult_pub/dco_submissions.

7 Opposing Views

- 7.1 There were no opposing views expressed to SGX-DC by its board or committee members, SGX-DC Clearing Members or market participants 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 eli.cohen@sgx.com or +65 6236 5104 should you require any clarification.

Yours sincerely,



Eli Cohen
Head, Legal (Regulation)

Appendix 1

Submission Cover Sheet

Appendix 2 (Confidential)

Amendments

[Subject to confidential treatment request by SGX-DC.]



20 June 2014

Assistant Secretary of the Commission for
FOI, Privacy and Sunshine Acts Compliance
CFTC FOIA Compliance Office
Commodity Futures Trading Commission
Three Lafayette Center
1155 21st St., N.W.
Washington, DC 20581
United States of America

VIA EMAIL

Dear Sir or Madam,

FOIA Confidential Request for SGX-DC

- 1 Singapore Exchange Derivatives Clearing Limited (the "**Requesting Party**") hereby respectfully requests confidential treatment, in accordance with Commodity Futures Trading Commission ("**Commission**") Regulation 145.9, of Appendix 2 (Confidential) to a Commission Regulation 40.6 submission to the Commission on 20 June 2014 (the "**Confidential Information**").
- 2 The submission is in respect of amendments to the Over-The-Counter Financial Derivatives ("**OTCF**") Clearing Member Handbook ("**Handbook**").
- 3 This request for confidential treatment is made pursuant to Commission regulation 145.9(d)(1) because the Requesting Party believes that the Confidential Information is covered by one or more exemptions in the Freedom of Information Act (the "**FOIA**") (5 U.S.C. §552(b)) and is therefore exempt from the Commission's public disclosure requirements. In particular, 5 U.S.C. §552(b)(4) and Commission Regulation 145.9(d)(1)(ii) exempt disclosure that would reveal the Requesting Party's trade secrets or confidential commercial or financial information. The Requesting Party believes that the Confidential Information contains confidential commercial and financial information as well as proprietary information regarding business procedures and systems that should be protected from public disclosure.
- 4 In this regard, we bring to the Commission's attention that the Handbook was the subject of a confidential treatment request in letter dated 28 June 2013 in respect of Requesting Party's application to be a derivatives clearing organisation.

- 5 This request is not to be construed as a waiver of any other protection from disclosure or confidential treatment accorded by law and the Requesting Party will rely on and invoke any such confidentiality protection. The Requesting Party requests that the Commission advise the undersigned, pursuant to Commission Regulation 145.9(e)(1), in advance of any disclosure of the Confidential Information pursuant to the FOIA, so that this request for confidential treatment may be substantiated. The undersigned should be contacted if you require substantiation of this request for confidential treatment.

- 6 Please do not hesitate to contact the undersigned at eli.cohen@sgx.com or +65 6236 5104 should you require any clarification.

Yours sincerely,



Eli Cohen
Head, Legal (Regulation)