

**Cboe Futures Exchange, LLC  
Singaporean Trading Privilege Holder  
Supplemental Application Form**

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The business organization referenced below (“Organization”) represents and warrants to Cboe Futures Exchange, LLC (“CFE”): that as of the date of the Organization’s application for Trading Privileges and on each day thereafter until the Organization’s Trading Privileges are terminated:

- (i) where the Organization is incorporated or established in Singapore, resident or domiciled in Singapore or carries on business through a branch in Singapore, the Organization is an accredited investor, expert investor or a professional investor (each as defined below); and
- (ii) where the Organization trades on behalf of persons in Singapore or permits persons in Singapore to have trading access through the Organization onto CFE’s markets, the Organization has in place measures to ensure that all such persons are accredited investors, expert investors or professional investors.

Please describe how the Organization meets the requirements for the above designation and attach any applicable documents to demonstrate satisfaction of these requirements:

The Organization is:

- a professional investor
- an accredited investor
- an expert investor

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In the event that the Organization has indicated above that it is an accredited investor, the Organization agrees to be treated as an accredited investor and agrees and acknowledges that CFE has provided the Organization with details of the regulatory requirements that CFE would be exempt from as a result of dealing with “accredited investors”, as set out in the Schedule to this Supplemental Application Form. The Organization confirms that the Organization understands and accepts the consequent reduction in regulatory safeguards for “accredited investors”.

The Organization consents, on its own behalf and on behalf of each third party individual to the collection, use and disclosure of personal data by CFE, Cboe Exchange, Inc. (“Cboe Options”) and/or

their related corporations, service providers and agents for all purposes in connection with: (a) assessing the Organization's application and managing its ongoing status as a Trading Privilege Holder (if admitted); (b) verifying the identity of the Organization's executive officers, Responsible Traders or persons acting on behalf of the Organization; (c) carrying out the functions of the CFE platform; (d) the administration, verification, processing and effecting of any transactions placed through the CFE platform; (e) preventing, detecting and investigating any potential rule or regulatory violation and analyzing and managing commercial risks; (f) meeting the legal, regulatory, and/or reporting obligations of CFE, Cboe Options and/or their related corporations; (g) complying with any applicable rules, laws or regulations, regulatory policies, guidelines or industry codes, judgment, orders, directions or requests issued by any court, legal or regulatory bodies including rules and regulations relating to anti-money laundering and countering the financing of terrorism and the carrying out of audit checks, surveillance and investigation; (h) using aggregated data for market analysis, marketing and product development (i) providing lists of current CFE Trading Privilege Holders upon request, and (j) any purpose ancillary to the administration, operation, processing or management of the CFE platform and the provision of services (including market research and the marketing of products and services of CFE, Cboe Options and/or their related corporations) and other general business purposes.

The Organization confirms and warrants that it has obtained the prior written consent and authorization of any third party individuals, including customers, employees, Responsible Traders and executive officers, for and on behalf of CFE, Cboe Options and/or their related corporations, service providers and agents to collect, use and disclose the information contained in this application for all purposes listed above.

For the purposes of this Supplemental Application Form,

- (i) an "accredited investor" means:
  - (a) an individual whose (1) net personal assets exceed S\$2 million, or its equivalent in value in any other currency, or (2) whose income in the preceding 12 months is not less than S\$300,000, or its equivalent in value in any other currency;
  - (b) a corporation with net assets exceeding S\$10 million in value or its equivalent in any other currency, as determined by its most recent audited balance sheet or, in the case of a corporation which is not required to prepare audited accounts regularly, a balance sheet of the corporation certified by it to give a true and fair view of the state of affairs of the corporation as of the date of the balance sheet, which date shall be within the preceding 12 months;
  - (c) the trustee of a trust of which all property and rights of any kind whatsoever held on trust for the beneficiaries of the trust exceed S\$10 million in value (or its equivalent in any other currency);
  - (d) an entity (other than a corporation) with net assets exceeding S\$10 million in value (or its equivalent in any other currency);
  - (e) a partnership (other than a limited liability partnership within the meaning of the Limited Liability Partnerships Act, Chapter 163A of Singapore) in which each partner is an accredited investor; or
  - (f) a corporation, the sole business of which is to hold investments and the entire share capital of which is owned by one or more persons, each of whom is an accredited investor;
- (ii) an "expert investor" means:
  - (a) a person whose business involves the acquisition and disposal, or the holding, of capital

markets products, whether as principal or agent;

- (b) the trustee of such trust as the Monetary Authority of Singapore (the "MAS") may prescribe, when acting in that capacity; or
- (c) such other person as the MAS may prescribe;

(iii) a "professional investor" means:

- (a) a bank that is licensed under the Banking Act, Chapter 19 of Singapore;
- (b) a merchant bank that is approved as a financial institution under section 28 of the Monetary Authority of Singapore Act, Chapter 186 of Singapore;
- (c) a finance company that is licensed under the Finance Companies Act, Chapter 108 of Singapore;
- (d) a company or society licensed under the Insurance Act, Chapter 142 of Singapore, as an insurer;
- (e) the Singapore Government;
- (f) a statutory body established under any Act in Singapore;
- (g) the Government of Singapore Investment Corporation Pte Ltd;
- (h) a pension fund;
- (i) a collective investment scheme, as defined under section 2(1) of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA");
- (j) a holder of a capital markets services licence under the SFA;
- (k) a member of CFE, 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;
- (l) 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 43G(2)(a) of the Income Tax Act, Chapter 134 of Singapore, as the case may be;
- (m) a company in the Global Trader Programme of International Enterprise Singapore;
- (n) a financial adviser licensed under the Financial Advisers Act, Chapter 110 of Singapore who uses CFE's services solely for the purposes of trading for its own account; or
- (o) a hedge fund that has assets under management of not less than S\$15 million.

Name of Organization: \_\_\_\_\_

Signature of Authorized Signatory: \_\_\_\_\_

Name of Authorized Signatory: \_\_\_\_\_

Title of Authorized Signatory: \_\_\_\_\_

Date: \_\_\_\_\_

## **SCHEDULE**

### **INFORMATION ON REGULATORY SAFEGUARDS THAT DO NOT APPLY FOR “ACCREDITED INVESTORS”**

Section 6 of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”) provides that no person shall establish or operate a market unless the person is an approved exchange or a recognised market operator (“**RMO**”). In determining whether a market operator should be regulated as an approved exchange or an RMO, the Monetary Authority of Singapore (the “**MAS**”) has stated in the Guidelines on the Regulation of Markets (the “**Guidelines**”) that it will consider whether the market is systemically-important and other relevant circumstances, including the nature of the investors or participants. A market that is widely used by retail investors (i.e. investors who are not accredited investors (“**AIs**”) or institutional investors) is more likely to be considered systemically important, and will therefore be required to be regulated as an approved exchange under the SFA.

In this regard, Cboe Futures Exchange, LLC (“**CFE**”) is regulated by the MAS as an RMO and retail investors are not permitted to trade on CFE’s markets. By indicating that you are an AI, you will be permitted to trade on CFE’s markets. As an RMO, CFE is not subject to the more onerous requirements that an approved exchange is subject to under the SFA, the Securities and Futures (Markets) Regulations 2005 (the “**Markets Regulations**”) and the other regulations, notices and guidelines issued under the SFA.

This Schedule summarises the main differences in the regulatory obligations that apply to approved exchanges and to RMOs. As an AI, you may trade on the markets operated by CFE, but you will forego the additional regulatory safeguards that investors or participants would benefit from if they trade instead on an approved exchange.

Unless otherwise stated, references in this Schedule to “sections” are to sections of the SFA. References in this Schedule to “regs” are to regulations of the Markets Regulations, unless specified to be references to other subsidiary legislation.

		<b>Approved Exchange</b>	<b>Recognised Market Operator</b>	<b>Comments</b>
1.	Access for participation Section 16(1)(d)	<p>Section 16(1)(d) provides that an approved exchange must 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 the market and to protect the interests of the investing public.</p> <p>The Guidelines further provide that such criteria should not be unnecessarily restrictive and should not limit access to the market on grounds other than that of risks to the fair, orderly and transparent operations of the market.</p>	-	There is no similar statutory obligation for an RMO.
2.	Business / listing rules Sections 16(1)(e) and (f), 23, 24 and 25 Regs 18, 19 and 28	<p><u>Maintain business / listing rules</u></p> <p>Section 16(1)(e) provides that an approved exchange must maintain business rules and where appropriate, listing rules that make satisfactory provision for a fair, orderly and transparent market and proper regulation and supervision of members. Reg 18 further sets out the content that should be included in the business rules or listing rules of an approved exchange, which includes the criteria to determine admission of persons to membership, continuing requirements for each member, and the class of futures contracts that may be traded on the market.</p> <p>Reg 19 provides that an approved exchange must consult its participants on proposed amendments to its business rules or listing rules unless the proposed amendment would have limited impact on its participants. Prior to making the amendment, the approved exchange must also notify the MAS of the proposed amendment, the purpose of which and the date it is intended to come into force.</p> <p>Under section 24, the business rules of an approved exchange are deemed to be, and shall operate as, a binding contract between the approved exchange and each member, and between each member and every other member.</p> <p><u>Enforcement of compliance</u></p> <p>Section 16(1)(f) provides that an approved exchange must enforce compliance with its business rules and where</p>	<p><u>Enforcement of compliance</u></p> <p>Reg 28 provides that certain RMOs (as specified in the Second Schedule to the Markets Regulations), including CFE, are required to have in place measures to ensure that its participants in Singapore comply with the rules of the RMO and to monitor the compliance of participants with the market misconduct provisions under Part XII of the SFA.</p> <p>Such RMOs are also required to terminate, suspend or restrict the access to any market it operates of a participant in Singapore upon the MAS' direction, or where such participant is an entity licensed or authorised by the MAS, has had its licence or authorisation revoked by the MAS.</p> <p>These specified RMOs also have to notify the MAS within 14 days of any disciplinary action taken by the RMO against any participant in Singapore.</p>	<p>There are no similar statutory obligations relating to the maintenance, amendment and content of business / listing rules for an RMO.</p> <p>However, as described in the preceding column, CFE is nevertheless subject to certain requirements under reg 28 to ensure participants in Singapore comply with its rules.</p>

		<p>appropriate, its listing rules. The Guidelines further state that the approved exchange is obliged to have an appropriate and adequate surveillance and enforcement programme to effectively monitor compliance by its members with its business rules, enforce its rules and discipline its members in a fair and objective manner.</p> <p>Section 25 provides for the power of the Singapore High Court to order observance or enforcement of the business rules or listing rules of an approved exchange.</p>		
3.	<p>Obligation to manage risks prudently</p> <p>Sections 16A and 45</p> <p>Reg 15</p>	<p>Section 16A provides that an approved exchange must have systems and controls to manage risks as are adequate and appropriate for the scale and nature of its operations.</p> <p>In addition, an approved exchange is required to obtain the MAS' approval to the limits which it intends to establish on the number of open positions which may be held by any person under any futures contract traded on a futures market that it operates, vary those limits only in a manner approved by the MAS, as well as obtain the MAS' approval if it does not intend to establish such limits.</p> <p>Section 45 further provides that the MAS may make regulations for the purpose of carrying out section 16A, while reg 15(1) sets out guidelines on the positions that should be reckoned for the purposes of determining if a person has exceeded the position limit.</p> <p>Reg 15(2) further provides that an approved exchange shall impose conditions and restrictions on the trading activities of the relevant persons as it considers necessary to ensure compliance with the position limit.</p>	-	There is no similar statutory obligation for an RMO.
4.	<p>Obligation to notify MAS</p> <p>Sections 17 and 38</p> <p>Regs 9 and 23</p>	<p>Section 17 provides that an approved exchange is required to notify the MAS of certain circumstances including:</p> <p>(a) any material change in the information provided by the approved exchange in its application;</p> <p>(b) a 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 member of the approved exchange to meet its financial obligations to the approved exchange;</p>	<p>Section 38 provides that an RMO is required to notify the MAS of certain circumstances. This includes the same information specified in (a) to (d) of the preceding column as applied to an RMO and its participants.</p> <p>In addition, an RMO must notify the MAS of:</p> <p>(a) any civil or criminal legal proceeding instituted against the RMO which may have a material impact on the operations or finances of the RMO;</p>	As a result of CFE's status as an RMO, CFE is subject to fewer regulatory notification obligations.

<p>(c) any disciplinary action taken against the approved exchange by a regulatory authority;</p> <p>(d) any significant<sup>1</sup> change to the regulatory requirements imposed on the approved exchange by any regulatory authority;</p> <p>(e) the carrying on of any business other than operating a market or a business incidental thereto;</p> <p>(f) the acquisition of a substantial shareholding in a corporation that does not carry on the business of operating a market, or a business incidental thereto;</p> <p>(g) any reprimand, fine, suspension, expulsion or disciplinary action taken against a member;</p> <p>(h) any civil or criminal legal proceeding instituted against the approved exchange; and</p> <p>(i) any disruption of, or delay in, or suspension or termination of trading including those resulting from any system failure.</p> <p>An approved exchange is also required to:</p> <p>(i) submit a report to the MAS of the circumstances relating to the occurrence of events in (c), (h) or (i) above, the remedial actions taken at the time of the occurrence and the subsequent follow-up actions that the approved exchange has taken or intends to take; and</p> <p>(ii) prior to entering into negotiations to establish a trading linkage, clearing arrangement or co-operative arrangement with the person establishing or operating an overseas market or clearing facility, notify the MAS of such intent to enter into negotiations within a reasonable period of time.</p> <p>The MAS may after receiving notification of any of the abovementioned circumstances, issue directions to the approved exchange including:</p> <p>(i) where the notification relates to a matter referred to in (e) above, to cease carrying on the business, or to carry on such business subject to conditions or restrictions; and</p>	<p>(b) any material disruption of, or delay in, or suspension or termination of any trading procedure or trading practice including those resulting from any system failure; and</p> <p>(c) the RMO becoming aware of any acquisition or disposal of a substantial shareholding in the RMO.</p>	
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<sup>1</sup> In the case of an RMO, reg 23(1)(c) refers to a "material" change instead.

		(ii) where the notification relates to a matter referred to in (f) above, to dispose of such shareholding, or to exercise its rights relating to such shareholding subject to conditions or restrictions.		
5.	Obligation to submit periodic reports Sections 19 and 40 Regs 10 and 24	An approved exchange is required to submit to the MAS — (a) its annual report, directors' report and auditors' long form report; (b) its profit and loss accounts and balance-sheet for the preceding quarter; (c) a report on how the approved exchange has discharged its responsibilities under the SFA and the Markets Regulations during that financial year; (d) the balance-sheet of its fidelity fund; (e) Form 8 of the Markets Regulations (Monthly statistics to be submitted by an approved exchange operating a futures market); (f) a report relating to the business of the approved exchange; and (g) such other report as the MAS may require for the proper administration of SFA.	An RMO is required to submit to the MAS — (a) its annual report; (b) a report relating to the business of the RMO, and any trading in futures contracts that the RMO may conduct; and (c) such other report as the MAS may require for the proper administration of the SFA.	As a result of CFE's status as an RMO, CFE is subject to fewer regulatory reporting obligations.
6.	Obligation to maintain confidentiality Section 21 Reg 11	An approved exchange and its officers and employees are required to maintain the confidentiality of user information, save for any disclosure of user information which is authorized by the MAS, pursuant to written law or order of court in Singapore, or for prescribed purposes or in prescribed circumstances.	-	There is no similar confidentiality obligation for an RMO.
7.	Control of substantial shareholding Sections 13 and 27 Regs 20 and 23	No person shall become a substantial shareholder, a 12% controller or a 20% controller of an approved exchange without the MAS' prior approval.  The MAS has the power to direct the transfer or disposal of all or any of the shares of an approved exchange in which a substantial shareholder, 12% controller or 20% controller of the approved exchange has an interest in order to secure compliance with section 27.	RMOs are required to notify the MAS upon becoming aware of an acquisition or disposal of substantial shareholdings in an RMO under reg 23.  However, under section 13, the MAS may revoke the recognition of an RMO if the corporation fails to satisfy the MAS that the substantial shareholders are fit and proper persons, or if the MAS is not satisfied as to the financial standing of any of its substantial shareholders. The substantial shareholders of an RMO are also required to be fit	An RMO may undergo a change of control without MAS' approval being required for the new controllers.



			and proper under the MAS' Guidelines on Fit and Proper Criteria.	
8.	<p>Appointment of directors and key persons</p> <p>Sections 16(1)(h) and 28</p> <p>Regs 21 and 22</p>	<p>Section 16(1)(h) provides that an approved exchange must ensure that it appoints or employs fit and proper persons as its chairman, chief executive officer, directors and key management officers.</p> <p>Section 28 provides that an approved exchange is required to obtain the MAS' approval when appointing a person as its chairman, chief executive officer or director. The MAS may also by notice in writing require an approved exchange to obtain the MAS' approval for the appointment of any person to any key management position or committee of the approved exchange.</p> <p>An approved exchange is required to give written notice to the MAS of the resignation or removal of its chairman, chief executive officer, director or other key persons referred to in the notice issued by the MAS under section 28.</p>	-	<p>There is no similar requirement for an RMO to obtain the MAS' approval when appointing its chairman, chief executive officer, director or other key persons.</p> <p>However, under section 13, the MAS may revoke the recognition of an RMO if the corporation fails to satisfy the MAS that its officers and employees are fit and proper persons. The directors, chief executive officer and equivalent persons of an RMO are also required to be fit and proper under the MAS' Guidelines on Fit and Proper Criteria.</p>
9.	<p>Board composition and board committees</p> <p>Securities and Futures (Corporate Governance of Approved Exchanges, Approved Clearing Houses and Approved Holding Companies) Regulations 2005</p> <p><b>("Corporate Governance Regulations")</b></p>	<p>The Corporate Governance Regulations apply to the board of directors of an approved exchange. In particular, the board must comprise at least a majority of directors who are independent from management and business relationships with the approved exchange, one-third of directors who are independent directors, and a majority of directors who are independent from any single substantial shareholder (except where a single substantial shareholder holds 50% or more of the share capital or the voting power in the approved exchange).</p> <p>An approved exchange is also not permitted to appoint any of its executive directors as the chairman of the board of directors.</p> <p>An approved exchange is required to have a nominating committee, a remuneration committee, an audit committee and a conflicts committee.</p>	-	<p>There are no similar requirements imposed on an RMO's board of directors.</p>
10.	<p>Listing of securities</p>	<p>The securities of an approved exchange shall not be listed for quotation on a securities market that is operated by the</p>	-	<p>There is no equivalent regulation of listing of the securities of an RMO.</p>

	<p>Section 30</p>	<p>approved exchange or any of its related corporations unless the approved exchange and the operator of the securities market have entered into arrangements as the MAS may require for dealing with conflicts of interest and to ensure the integrity of the trading of the securities of the approved exchange.</p> <p>If the securities of the approved exchange are so listed, the listing rules of the securities market shall be deemed to allow the MAS to act in place of the market operator in making decisions and taking action, or to require the market operator to make decisions and to take action on behalf of the MAS, on –</p> <p>(a) the admission or removal of the approved exchange to or from the official list of the securities market; and</p> <p>(b) granting approval for the securities of the approved exchange to be, or stopping or suspending the securities of the approved exchange from being, listed for quotation or quoted on the securities market.</p> <p>The MAS may also, by notice in writing to the market operator, modify the listing rules of the securities market for the purpose of their application to the listing for quotation or trading of the securities of the approved exchange or waive the application of any listing rule of the securities market to the approved exchange.</p>		
11.	<p>MAS' powers in respect of auditors</p> <p>Section 33</p>	<p>An auditor of an approved exchange is required to immediately send to the MAS a written report of certain matters including:</p> <p>(a) any matter which adversely affects or may adversely affect the financial position of the approved exchange to a material extent;</p> <p>(b) any matter which constitutes or may constitute a breach of the SFA or an offence involving fraud or dishonesty; or</p> <p>(c) any irregularity that has or may have a material effect upon the accounts of the approved exchange.</p>	-	<p>There is no similar statutory obligation in respect of the auditors of an RMO.</p>

		The MAS may also impose additional duties on an auditor of an approved exchange and the approved exchange shall remunerate the auditor accordingly.		
12.	Emergency powers of MAS Section 34	<p>Where the MAS has reason to believe that an emergency exists, or thinks that it is necessary or expedient in the interests of the public or a section of the public or for the protection of investors, the MAS may direct by notice in writing an approved exchange to take such action as it considers necessary to maintain or restore orderly trading in futures contracts.</p> <p>Where the approved exchange fails to comply with any direction of the MAS within such specified time, the MAS may (a) set margin levels in any futures contract to cater for the emergency; (b) set limits that may apply to market positions acquired in good faith prior to the date of the notice issued by the MAS; or (c) take such other action to maintain or restore orderly trading in futures contracts, or liquidation of any position in respect of any futures contract.</p>	-	There is no similar power for the MAS to direct an RMO to take such action as it considers necessary to maintain or restore orderly trading in futures contracts.
13.	Investor compensation scheme Part XI of the SFA Reg 17	<p>Under Part XI of the SFA, an approved exchange is required to establish, keep and administer a fidelity fund to, <i>inter alia</i>, compensate any person (other than an AI) who suffers pecuniary loss because of a defalcation committed by a member of the exchange in relation to any money or other property entrusted to or received by that member.</p> <p>The fidelity fund may also be applied under certain circumstances if a member of the approved exchange is bankrupt, or is being wound up.</p>	-	There is no similar statutory obligation for an RMO.
14.	Registration of trading personnel Reg 16	An approved exchange shall not allow any person – (a) in or around any pit or other place provided by the approved exchange for trading of futures contracts, or (b) to use any electronic system provided by the approved exchange, to purchase or sell any futures contract unless that person is registered with the approved exchange.	-	There is no similar statutory obligation for an RMO.
15.	Business continuity plan Regs 12 and 25	An approved exchange is required to maintain at all times a business continuity plan setting out the procedures and establishing the systems necessary to restore fair, orderly and transparent operations of any market it operates, in the event of any disruption to the operations of the	An RMO is required to maintain a business continuity plan and review the procedures and systems on a regular basis.	There is no obligation for an RMO to notify the MAS of matters relating to its business continuity plan.

		<p>market, and is required to review such procedures and systems on a regular basis.</p> <p>An approved exchange is also required to notify the MAS of any activation of its business continuity plan, actions taken or intended to be taken to restore fair, orderly and transparent operations, and material changes to the business continuity plan.</p>		
16.	<p>Regulation of holding companies</p> <p>Part IIIA of the SFA</p> <p>Securities and Futures (Approved Holding Companies) Regulations 2005 (“<b>Approved Holding Companies Regulations</b>”)</p> <p>Corporate Governance Regulations</p>	<p>The holding company of an approved exchange is required to be approved by the MAS as an approved holding company under section 81U.</p> <p>Approved holding companies are subject to ongoing compliance requirements under Part IIIA of the SFA, the Approved Holding Companies Regulations and the Corporate Governance Regulations. This includes for instance, the obligation to submit periodic reports, the obligation to assist the MAS and the obligation to maintain confidentiality.</p>	-	There is no similar regulation by the MAS of the holding company of an RMO.